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# ***Daily Report***

## **China**

FBIS-CHI-90-193  
Thursday  
4 October 1990

# Daily Report

## China

FBIS-CHI-90-193

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4 October 1990

**NOTICE TO READERS:** An \* indicates material not previously disseminated in electronic form.

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## General

### China, ASEAN Issue Statement on Cambodia

OW0410013690 Beijing XINHUA in English  
0103 GMT 4 Oct 90

[Text] United Nations, October 3 (XINHUA)—China and ASEAN agreed today that the co-chairmen of the Paris International Conference on Cambodia (PICC), Indonesia and France, should immediately take necessary steps including the holding of preparatory meetings to draft an overall agreement on a comprehensive settlement of the Cambodia conflict.

In a joint statement issued here today, the two sides said the draft of agreement must be based on the framework document mapped out by the five permanent members of the Security Council—Britain, China, France, the Soviet Union and the United States—last August and endorsed by the Security Council in its resolution 668 on September 20 this year.

The statement was made public after Chinese Foreign Minister Qian Qichen met with the foreign ministers of the six ASEAN countries—Brunei Darussalam, Indonesia, Malaysia, the Philippines, Singapore and Thailand.

The statement said the foreign ministers of China and the ASEAN countries welcomed the agreement reached among the five permanent members of the Security Council on the framework for a comprehensive political settlement of the Cambodia conflict and the subsequent acceptance of this framework in its entirety by all the Cambodian parties.

The foreign ministers were particularly gratified at these developments which, they said, represent a major step forward in the mutually complementary efforts exerted by the regional states and the five permanent members of the Security Council, the statement said.

The peace plan proposed by the big five includes the establishment of a Supreme National Council (SNC) as the unique legitimate body and source of authority during the transitional period, international supervision and verification of the withdrawal of all categories of foreign forces from Cambodia, regrouping and relocation of the armed forces of the four Cambodian parties, and the U.N.-supervised election.

The big five also indicated that they would welcome Prince Norodom Sihanouk to be the SNC chairman if he is elected.

The statement said the foreign ministers endorsed Security Council Resolution 668 which calls upon the co-chairmen of the Paris International Conference on Cambodia to intensify their consultations with a view to recovering the conference to elaborate and adopt the comprehensive political settlement and to draw up a detailed plan of implementation in accordance with the big five's framework document.

They urged all parties to the conflict and all countries concerned to support and cooperate with the co-chairmen of the Paris International Conference in fulfilling their tasks, the statement said.

### Qian Qichen Hails ASEAN Cooperation

OW0410095490 Beijing XINHUA in English  
0916 GMT 4 Oct 90

[Text] New York, October 3 (XINHUA)—Chinese Foreign Minister Qian Qichen said here today that the good-neighborly and friendly relations between China and ASEAN have in the past year witnessed long-stride development.

Speaking at a working luncheon he gave for his counterparts from ASEAN nations—Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand, Qian declared that China's resumption of diplomatic relations with Indonesia in August and establishment of diplomatic ties with Singapore today "marked a stage of all-round development in its relations with the ASEAN countries."

He pointed out that the effort to solve the Cambodia question by peaceful means has recently made a breakthrough and that China highly evaluates the important contribution made by ASEAN countries to the progress.

He expressed China's readiness to continue, together with the ASEAN countries, its effort for seeking the final settlement of the question.

Referring to Asia-Pacific economic cooperation, the minister reaffirmed that China always attaches importance to and actively participates in the cooperation.

"As a sovereign state," he stressed, "China should become a full member of the Asian-Pacific Economic Cooperation Conference. Provided the principle of 'one China' is observed, Hong Kong and Taiwan, as economic zones, may join the conference in an appropriate capacity." He said China is ready to conduct consultation with Asian-Pacific countries including ASEAN nations in an effort to find a proper way to solve the problem as soon as possible.

Speaking on behalf of the six ministers, Malaysian Foreign Minister Abu Hassan welcomed the development of relations between ASEAN countries and China and expressed satisfaction with the cooperation between the two sides in finding a solution to the Cambodia question.

After the luncheon, the two sides also issued a joint statement on the Cambodia question.

### Article Claims U.S. 'Hesitates' in Gulf

HK2709063190 Beijing SHIJIE ZHISHI in Chinese  
No 18, 16 Sep 90 pp 5-6

[Article by Meng Qi (1125 3823): "United States Hesitates Over What Move To Make in the Gulf"]



[Text] Iraq's brazen invasion of Kuwait has not only shocked the international community, but has also taken the United States by surprise. Recently, the United States was busy engaging in peaceful evolution in the Soviet Union and East Europe, in adjusting American-European relations, and in handling German reunification—it has no time to look at the Middle East—and sought only to maintain the existing situation and stability. This mentality affected U.S. judgment in the Gulf situation. According to information, before Iraq invaded Kuwait, Israel's intelligence agency had discovered Iraq's intention and informed the U.S. Central Intelligence Agency, but the United States did not take it seriously.

However, after the event took place, the United States responded strongly, and its actions were quite speedy. Diplomatically, President Bush personally called the leaders of various allies, and sent his senior officials everywhere; his defense secretary twice landed in the Middle East for brief periods as short as a few days, to mobilize world opinion to strongly condemn Iraq. At the same time, the United States took the initiative in holding an emergency meeting with the Soviet Union, and they issued a joint statement demanding an unconditional and immediate withdrawal of Iraqi troops from Kuwait. The United States also actively urged the UN Security Council to pass the five resolutions concerning Iraq's invasion of Kuwait. Bush stressed the United States will never accept the current situation of Kuwait, and put forward the four goals the United States will pursue in the Iraq-Kuwait conflict: Iraqi troops' withdrawal from Kuwait; restoration of Kuwait's legitimate government; protection of lives and property of Americans in Iraq and Kuwait; and the assurance of peace and stability in Saudi Arabia and the Gulf. In the economic area, on the day when Iraq invaded Kuwait, the United States immediately announced the freezing of all Iraqi and Kuwaiti assets in the United States, to prevent Iraq from snatching Kuwait's huge treasure of \$100 billion. Thereafter, the United States sent officials to Turkey and Saudi Arabia, persuading them to shut down Iraq's oil pipelines which run through the two countries; it also pressured Jordan to stop all trade with Iraq, and announced a sea blockade against Iraq. Since the end of August, an air blockade has also been considered. Militarily, the United States found itself engaging in the largest military deployment since the Vietnam war—"Desert Shield" against Iraq. Troops were transferred from Diego Garcia Military Base in the Indian Ocean to the Gulf and the neighboring areas, as well as from the Mediterranean Sea, Britain, West Germany, and the U.S. proper, in a large-scale deployment of naval, air, and land forces. At present, along the Saudi Arabia-Iraq and Kuwait-Iraq borders, a serious confrontation between the U.S. and Iraqi Armies is taking place, and the situation is tense.

The main reason for the United States to carry out such a large-scale military action, is out of consideration of its own interest. First, the United States views oil as its

strategic resource. At present, 27 percent of the oil consumed in the United States must be imported from the Gulf. West Europe and Japan import even more. The oil reserves of Saudi Arabia, Iraq, and Kuwait account for 45 percent of the world's total, while their outputs comprise of 16 percent of the world's total output. If oil output is maintained at the present rate, the oil in these areas can be exploited for more than 100 years, and this is unmatched by any other area in the world. The three countries also hold some 50 percent of the oil production quota prescribed by the OPEC. Safeguarding Saudi Arabia, and stabilizing the Gulf situation, is obviously of real and long-term significance to the United States.

Second, the United States sees the current crisis as a good chance to deal a blow to Saddam Husayn. The United States thinks that the Saddam administration is antagonistic towards it and Israel, furthermore, the Soviet Union is receding from the Middle East, while Iraq has been self-assured of its own military might, which could dwarf others in the Middle East, disrupt regional stability, and jeopardize the U.S. interests. Judging from the current situation, the United States has the support of public opinion, while most Arab countries have condemned Iraq's invasion of Kuwait.

Third, the United States feels that this is a chance for expanding its influence in the Gulf. The Arab world has always harbored animosity against the United States, and although the six Gulf countries have maintained good relations of varying degrees with the West, they generally have worries about a large-scale introduction of American and European influences to their doorsteps. This time, the governments of these countries were pressured by the situation to agree to the deployment of troops from the Western countries such as the United States, and this is undoubtedly a big change. After the crisis is over, the U.S. forces are likely to remain there with some excuse, and political and military links between the United States and various countries in the Gulf will inevitably be strengthened.

Fourth, if the United States can properly handle this crisis, then Bush's reputation will be greatly enhanced in the country, and the United States will be able to use this chance to show that it is still the "one and only one superpower" in the "post-cold war era." Obviously, the political future of Bush himself is tied up with this crisis. Once the guiding role of the United States in the Gulf areas is established, it will have an impact on the change in the whole pattern of the Middle East.

Facing a huge army along its border, Iraq has also quickly adopted precautions, which involve a series of diplomatic, political, and especially military actions, in addition to public opinion. At present, Iraq has more than 160,000 troops in Kuwait. According to report, Iraq has been transferring 300,000 troops from the Iraq-Iran frontier. In order to consolidate the fruits of invasion, Iraq proclaimed Kuwait its 19th province, and set a time limit for foreign embassies there to pull out.

The U.S.-Iraqi confrontation is like an arrow on a bow, and war can break out at any moment. But up to now, the United States still hesitates to use force. If force is used, the United States has certain advantages. According to a recent poll in the United States, 71 percent of the respondents supported Bush's measures for handling the Gulf crisis, and 94 percent agreed to an military attack against Iraq in an appropriate time. Congress has also shown support to Bush. In addition to the supporting forces from its West European allies currently deployed in the Gulf, the United States also sees in Saudi Arabia the forces from 12 Arab countries such as Egypt and Syria. Militarily, the United States has successfully struggled for more time, and secured superiority in air and on sea; it will possibly grasp the mastery of air when war breaks out. However, there are also apparent disadvantages. First, more than 3,000 Americans are being detained in Iraq and Kuwait, and many other Westerners are also trapped in Iraq. Also, Iraq has placed some Americans in important military and economic facilities. This causes misgivings for the United States. Second, Iraq has 1 million troops, which have been battle-hardened in the Iraq-Iran War; it also has a great number of advanced weapons and missiles purchased from the Soviet Union and West Europe. In addition, Iraq is vast, and if the United States wants to fight a small battle, it is not easy to begin and end it quickly; if it wants a big war, the casualties could be very heavy, while victory is not guaranteed. Furthermore, the United States has an eye on the oil. The oil fields and pipelines are vulnerable when shooting starts, and there could be a great destruction of oil resources and a rapid increase in oil price worldwide, hence, the United States will suffer losses instead of gaining something. Judged from the world opinion, most countries do not consent to a military solution.

At present, Iraq is facing an unprecedented situation of isolation from the international community; its economy has been seriously affected. According to estimates, Iraq must import 80 percent of the food it consumes, many ordinary spare parts of machines, and almost all of its arms. If all the ports were blockaded, Iraq could not support itself very long in a large-scale war with the United States. Recently, Iraq has continually hinted at its wishes for peaceful talks, saying it would withdraw from Kuwait if the United States would withdraw from Saudi Arabia and lift the sanctions imposed against it; however, substantial moves have yet to be seen. Iraq's deputy prime minister and foreign minister, Aziz, responded to the call from UN Secretary General Perez de Cuellar, and both men held talks on 1 and 2 September in Amman, but Perez de Cuellar said the meeting was "disappointing," and "unable to make any progress in solving the Gulf crisis." Some people think the United States and Iraq have now reached a tense impasse. Bush cannot make up his mind for war on the one hand, and thinks "I do not see any hope for peace" on the other. How can they break the deadlock? The next several weeks will be a critical period.

[Dated] 1 September 1990

### Chen Xitong Reiterates Hope for Olympics in 2000

OW0310152690 Beijing XINHUA in English  
1510 GMT 3 Oct 90

[Text] Beijing, October 3 (XINHUA)—Mayor of Beijing and President of the Beijing Asian Games Organizing Committee (BAGOC) Chen Xitong today once again expressed China's desire to host the Olympic Games in 2000.

At a meeting with Seung Youn-kim, president of the General Association of the Asian Sports Federations (GAASF), Chen said he hopes that China's bid to host the Olympiad will enjoy support of the GAASF.

Kim said he and his colleagues hope that the 2000 Olympic Games will be held in Beijing.

He said he is satisfied with the successful opening and operation of the ongoing competitions of the Asian Games.

Chen congratulated Kim on his being reelected as GAASF president at its sixth General Assembly Tuesday.

He said he is confident that, with the continued help and support from various countries and sports organizations of Asia, the 11th Asian Games will be a complete success.

Senior BAGOC and GAASF officials were present at the meeting.

### International Wushu Federation Formed in Beijing

OW0310114590 Beijing XINHUA in English  
0910 GMT 3 Oct 90

[Text] Beijing, October 3 (XINHUA)—The International Wushu Federation (IWF) was formed here today with the election of Li Menghua from China as its president.

Li is president of the All-China Sports Federation. The two vice-presidents are Lim Meng Yiak, president of the Malaysian Wushu Federation, and Raymond Smith, president of the British Kongfu Association.

Zhang Quande from China was elected secretary-general.

The IWF Executive Committee members include Lee Khoon Choy from Singapore, Giuseppe Falconi from Italy, Nick Gracenin from the United States and Amrane Djamel from Algeria.

Today's meeting was attended by about 100 representatives of wushu organizations from Algeria, Belgium, Brazil, Britain, Bulgaria, China, France, Federal Germany, Hong Kong, India, Italy, Japan, South Korea, Macao, Malaysia, Mexico, Mongolia, Morocco, Nepal, the Netherlands, New Zealand, the Philippines,

Romania, Singapore, Spain, Sri Lanka, Sweden, Thailand, the United States, the Soviet Union and Yugoslavia.

Representatives approved the IWF constitution at the meeting and accepted wushu organizations from 38 countries and regions as the initial members of IWF. Wushu organizations from 43 countries and regions had submitted their applications.

Newly elected IWF President Li Menghua said at the meeting the IWF will make efforts to strengthen the ties among wushu organizations from different countries, promote wushu exchange and unite all the enthusiasts to push forward the development of wushu.

It was learned here that the newly formed IWF is likely to hold the first world wushu championships in Beijing next October.

### Soviet Union

#### Zheng Tuobin Holds Trade Talks in Moscow

OW0310134590 Beijing XINHUA Domestic Service in Chinese 0653 GMT 3 Oct 90

[By Shen Faliang (3988 3127 5328)]

[Text] Moscow, 2 Oct (XINHUA)—The "China-Soviet Government Trade Agreement" and the "China-Soviet Government Protocol on Ways of Settling Accounts and Payments" were signed here today. The two documents were signed by Zheng Tuobin, Chinese minister of foreign economic relations and trade, and Konstantin Katushev, Soviet minister of foreign economic relations, on behalf of their respective governments.

The Chinese Government trade delegation headed by Zheng Tuobin arrived in Moscow for a visit today at the invitation of Minister Katushev. Members of the Chinese and the Soviet delegations had talks on the same day.

According to the above documents, beginning 1991, payments of trade between the two countries will be made with freely convertible currencies.

Kachanov, Soviet first deputy minister of foreign economic relations, and Yu Hongliang, Chinese ambassador to the Soviet Union, were present at the signing ceremony and the talks.

### Northeast Asia

#### Qian Qichen Cited on Sino-ROK Relations

SK0310112590 Seoul Domestic Service in Korean 1000 GMT 3 Oct 90

[Text] (Beijing AFP-YONHAP) Chinese Foreign Minister Qian Qichen on 2 October said that the promotion of relations between the ROK and China will help alleviate the tensions on the Korean peninsula.

Foreign Minister Qian, who is in New York participating in the UN General Assembly, said that China has been carrying on not only civilian exchanges but also, on a considerable scale, nongovernmental trade with the ROK and that his personal view is that this will help further stabilize the situation on the Korean peninsula, according to XINHUA, the official Chinese news agency.

This affirmative comment by the Chinese foreign minister on ROK-PRC relations is significant in that the Chinese Foreign Ministry up until now when asked about PRC-ROK relations repeated only the brief response that China has no official relations with the ROK.

#### Korean Reunification Advanced by Contacts

OW0410095890 Beijing XINHUA in English 0923 GMT 4 Oct 90

[Roundup by Gao Haorong: "Increasing Dialogues and Contacts Between Pyongyang and Seoul"—XINHUA headline]

[Text] Pyongyang, October 4 (XINHUA)—Increasing dialogues and contacts between Pyongyang and Seoul have shown some signs of progress in the drive for national reunification work between the two sides in the divided Korean peninsula.

Since the first high-ranking meeting held between the two prime ministers last month, both capitals have had more contacts on the fields of sports, culture, and the Red Cross Society.

Pyongyang on September 11 made a suggestion to the South on forming a joint squad of cheerleaders for sportsmen from both sides taking part in the 11th Asian Games. The suggestion was well received in the South for it showed the world that North and South were one Korean nationality.

Sports officials from both sides met on September 23 and 29 to reach agreements on holding "united football matches" in Pyongyang and Seoul after the Asian Games. The matches will be first on the peninsula between sportsmen from both sides in the 45 years since the division of Korea.

Cultural exchanges between the two sides reached a breakthrough after Seoul had agreed to allow 17 artists taking part in a scheduled "pan-national reunification concert" in Pyongyang proposed by the North on September 18.

The Red Cross Society in Pyongyang sent a message of sympathy to the South expressing compatriots affection after the South suffered great losses in the heavy rains during September 9 and 12. The Pyongyang Red Cross Society also promised to answer the South's proposal for the reopening of Red Cross Society meetings.



The two sides have also studied the possibilities of joining the United Nations and holding new meetings between students associations.

Thanks to the "historic event" of talks between the two prime ministers in early September, the increasing dialogues and contacts between the two sides, which reflect the strong aspirations of the Korean people for national reunification, will surely create good atmosphere for the second round of talks on October 16. And from a long-term of view, the contacts will be beneficial for promoting mutual understanding between the two sides and laying a good foundation for national reunification.

### Hainan, Japan's Hyogo Prefecture Sign Pact

HK0310131990 Haikou Hainan Provincial Service  
in Mandarin 2300 GMT 28 Sep 90

[Excerpts] According to the provincial Foreign Affairs Office, on the afternoon of 28 September, a grand and magnificent ceremony was held in Kyogo Prefecture of Japan, at which Hainan Province and Kyogo Prefecture exchanged copies of an agreement on the establishment of friendly relations.

The governor of Hainan Province, Liu Jianfeng, and the governor of Hyogo Prefecture of Japan, Kaihara, signed the agreement on behalf of Hainan Province and Hyogo Prefecture, respectively. [passage omitted]

Speaking at the ceremony, Governor Liu Jianfeng pointed out: Hainan Province of China and Hyogo Prefecture of Japan have officially established friendly relations between them. This is the result of common effort made over the past two years and more by people of all circles of Hainan Province and Hyogo Prefecture. In the name of 6.4 million people of Hainan Province, Governor Liu extended best wishes to 5.4 million people of Hyogo Prefecture. He also pointed out: Hainan Province is the largest special economic zone in China. The establishment of friendly relations between Hainan Province and Hyogo Prefecture, which is described as Japan in miniature, will surely promote progress in different undertakings of Hainan Province and Hyogo Prefecture and the development of friendship between China and Japan. I sincerely hope in the spirit of peace and friendship, and equal footing and mutual benefit, the two sides will conduct extensive exchanges and cooperation in the economic, trade, scientific and technological, cultural, educational, and tourist fields in a flexible way and different forms, so as to make various undertakings of Hainan Province and Hyogo Prefecture flourish and make new contributions to the development of friendly and cooperative relations between China and Japan.

The Governor Kaihara pointed out in his speech: The establishment of friendly relations has added a new chapter to the annals of previous friendly exchanges. Taking this as a beginning, Hyogo Prefecture and Hainan Province will promote friendly exchanges in different spheres, in order to make contributions to the

prosperity of Japan and China and peace in Asia and other parts of the world. [passage omitted]

A reception was given following the signing ceremony.

The Hainan Provincial Goodwill Delegation headed by Governor Liu Jianfeng paid an official call to the Hyogo Prefectural Government on the morning of 28 September and was welcomed by more than 100 government officials at a brief welcoming ceremony. [passage omitted]

At his hotel, Governor Liu also met with Mr Ogawa, vice mayor of Kambe.

In the evening, the vice governor of Hyogo Prefecture, (Sangi), gave a banquet to welcome Governor Liu and his party.

The Hainan Provincial Goodwill Delegation arrived in Osaka, Japan via Hong Kong on the night of 27 September. [passage omitted]

As of 29 September, the delegation will begin to make a five-day tour of Hyogo Prefecture; and during that period, it will hold economic forums with Japanese entrepreneurs.

### Shanghai Mayor Meets Japanese Guests

OW0310111790 Shanghai WEN HUI BAO in Chinese  
28 Sep 90 p 1

[Text] Mayor Zhu Rongji and Vice Mayor Huang Ju met with Hisashik Tsuda, honorary president of the Sumimoto Trading Company of Japan, and other members of the delegation led by him, at the Hengshan Hotel yesterday. Sumimoto Trading Company is one of Japan's biggest trading companies. It established good trading relations with China long before the Chinese-Japanese relations were normalized.

Mayor Zhu Rongji welcomed the Japanese guests to Shanghai and briefed them on issues concerning the opening and development of Shanghai's Pudong area. He expressed the hope that both sides will strive to expand economic and trade cooperation in the days to come.

### Qian Qichen Signs Accord on Singaporean Ties

OW0310151990 Beijing XINHUA in English  
1508 GMT 3 Oct 90

[Text] United Nations, October 3 (XINHUA)—China and Singapore announced here today that the two countries have established diplomatic relations.

"The Government of the People's Republic of China and the Government of the Republic of Singapore have decided to establish diplomatic relations as from 3 October 1990, on the basis of the five principles of peaceful coexistence and the principles enshrined in the charter of the United Nations," a joint communique by the two governments said.

The communique, signed by Chinese Foreign Minister Qian Qichen and Singapore Foreign Minister Wang Kan Seng here this morning, added that the two countries will exchange ambassadors and provide each other with facilities for the functioning of diplomatic missions.

#### Comments on Accord

OW0310194990 Beijing XINHUA in English  
1940 GMT 3 Oct 90

[Text] United Nations, October 3 (XINHUA)—Chinese Foreign Minister Qian Qichen told XINHUA today that after the establishment of diplomatic relations with Singapore, China's relationship with the Association of Southeast Asian Nations (ASEAN) has entered a period of all-round development.

"This will produce very positive impacts on resolving regional conflicts and maintaining peace and stability in the region, particularly on the settlement of the Cambodian problem," he said.

Qian made the remarks just after he and his Singapore counterpart Foreign Minister Wong Kan Seng signed the joint communique on the establishment of diplomatic relations between China and Singapore here this morning.

Qian said the establishment of diplomatic relations between China and Singapore has great significance. The two countries already have had good relations and close contacts before the establishment of diplomatic ties.

He believed that after the establishment of their diplomatic relations, the two countries will even better develop their already existing good relations.

Singapore is China's important trading partner and Qian expected that the economic and trade relations between the two countries will also grow.

Qian said the Chinese Government will warmly welcome Prime Minister Lee Kuan Yew of Singapore to pay an official visit to China in near future.

Foreign Minister Wong Kan Seng of Singapore also told XINHUA that Singapore and China had "very warm and very close relationship" even before the establishment of diplomatic ties.

The signing of the agreement on the establishment of diplomatic relations simply formalizes the ties and it will, of course, also strengthen further the relations between Singapore and China, he said.

The signing ceremony took place at the U.N. headquarters this morning, with the participation of Chinese Permanent Representative Li Daoyu and Singapore Permanent Representative Chan Heng Chee as well as senior diplomatic officials from the Chinese and Singapore missions to the United Nations.

After the ceremony, Qian and Wong, the two foreign ministers, warmly shook hands and toasted to the further development of the friendship between the two countries.

"We have completed an important mission," Chinese Foreign Minister Qian told his Singapore counterpart.

#### Editorial Praises Ties

OW0410043190 Beijing Domestic Service  
in Mandarin 2230 GMT 3 Oct 90

[From the "News and Press Review" program]

[Text] RENMIN RIBAO today publishes an editorial acclaiming the establishment of diplomatic relations between China and Singapore.

The editorial says: The establishment of diplomatic relations between China and Singapore is a major event in the history of relations between the two countries. It signifies the beginning of a new stage in their relations.

The editorial points out: The establishment of diplomatic relations between China and Singapore is the common wish of the peoples of the two countries. The Chinese and Singaporean Governments and leaders have worked hard for this. Since 1971, when it cast its vote at the UN General Assembly in favor of restoring China's legitimate membership in the United Nations, Singapore has consistently upheld the stand that there is one China, and that Taiwan is part of China. For this, we express our appreciation. Now, the Government of the Republic of Singapore has formally established diplomatic relations with the Government of the People's Republic of China. Through joint efforts, relations between the two countries will undoubtedly develop more comprehensively in the future.

China and Singapore are friendly neighbors. Despite the lack of diplomatic relations, the two countries have maintained close ties and frequent contact for a long period. Not only do the two sides share a common understanding and identical views on a wide range of major international issues; they have also carried out broad exchanges and cooperation in the economic, trade, scientific and technological, and cultural fields. With the establishment of diplomatic relations, a new chapter will certainly be added to the existing traditional friendship and friendly and cooperative relations between the two countries.

The editorial says: The establishment of diplomatic relations between China and Singapore will also help develop relations between China and ASEAN countries. We respect and support ASEAN's stand on realizing peace, freedom, and neutrality in Southeast Asia and its wishes of making Southeast Asia a nuclear-free zone. We support the efforts made by ASEAN countries in strengthening regional economic cooperation and in establishing a new international economic order. On the Cambodian issue, we attach great importance to the positive role played by Singapore and other ASEAN

countries and will continue to maintain friendship, cooperation, and close consultation to promote an all-around, just, and reasonable settlement of the Cambodian issue at an early date. We regard economic cooperation and trade with ASEAN countries an important component of South-South cooperation.

The editorial concludes: China and the ASEAN countries differ in terms of social system. However, this should not constitute an obstacle to the development of relations between the two sides. We believe that the establishment of diplomatic relations between China and Singapore will open a broader prospect for traditional friendship between the Chinese people and the people of the ASEAN countries and for all-around friendly and cooperative relations.

#### More on Editorial

OW0410100690 Beijing XINHUA in English  
0905 GMT 4 Oct 90

[Text] Beijing, October 4 (XINHUA)—China's leading newspaper, the PEOPLE'S DAILY today carried an editorial, warmly congratulating the establishment of diplomatic relations between China and Singapore.

The editorial, entitled "Sino-Singapore Ties Enter a New Stage" says that the establishment of diplomatic relations between the two countries as from October 3, 1990, was announced in a communique signed by the two foreign ministers on October 3 in the United Nations. This was a big event marking a new phase in the relationship between the two countries.

The move was the common wish of both peoples and their governments for which leaders of the two countries had made active efforts, the editorial says.

Chinese Premier Li Peng visited Singapore in August this year and exchanged views with Prime Minister Lee Kuan Yew and other leaders on the establishment of diplomatic relations. On September 15, an agreement was reached.

The editorial points out that China and Singapore are close neighbors. The two countries, which have maintained close ties and frequent contacts for a long time, hold comprehensive and identical views on many major international issues. And wide-ranging contacts and co-operation in economic, trade, technical and cultural fields have been conducting between them, it adds.  
[sentence as received]

"We appreciate that Singapore's policy of insisting on one-China and Taiwan as a part of China" since Singapore voted for the restoration of China's legal seat in the United Nations in 1971, says the editorial. [sentence as received]

The Chinese Government, it continues, also appreciates Singapore's great achievement in developing a national economy and raising the living standards of the people. For its part, the Singapore Government affirmed the

achievements of China after 10 years economic reform, and held that it was now playing a more important role in the world. After the establishment of diplomatic relations, the traditional ties between the two countries would enter a period of all-round development.

With the establishment of diplomatic relations between China and Singapore, the editorial says, China's relationship with the Association of Southeast Asian Nations (ASEAN) will be further promoted. Up to now, China has established official ties with five of the six member states of ASEAN. This is of significance to maintaining peace and stability in Asia and intensifying economic co-operation in the region, it noted.

The editorial says: "We respect and support the ASEAN position to build a peaceful, free and neutral Southeast Asia and a nuclear-free zone as well as their efforts to strengthen economic co-operation and set up a new international economic order."

Referring to the Cambodian problem, the editorial says: "We always attach great importance to active efforts made by Singapore and other ASEAN countries, and are willing to continue friendly cooperation and close consult with the ASEAN countries to promote a comprehensive, fair and reasonable solution to the issue."

The editorial believes that the establishment of Sino-Singapore diplomatic relations will certainly open a broader prospect for the traditional friendship and all-round co-operation between China and the ASEAN countries.

#### Li Peng Urges Solution to Cambodia Deadlock

OW0310153490 Beijing XINHUA in English  
1514 GMT 3 Oct 90

[Text] Beijing, October 3 (XINHUA)—Chinese Premier Li Peng today said China and Thailand need to strengthen their consultation and cooperation on the Cambodia issue.

Li Peng made the remark in a meeting with former Prime Minister of Thailand Mom Rajawongse Khukrit Pramot, who is here on a visit as guest of the Chinese People's Institute of Foreign Affairs.

According to Chinese officials present at the meeting, Li said that the Jakarta conference was successful, with its achievements "recorded on files," but the Bangkok conference suffered a deadlock.

However, Li said, "we should not lose confidence. Instead, we should continue to work for a complete, just and reasonable political settlement of the Cambodia issue."

China and Thailand can continue to play their respective roles in this regard, he said, adding that "it is highly necessary for the two countries to strengthen consultation and cooperation."



Khukrit, agreeing with Li, said all concerned parties should be actively involved, with sincerity, in the process of settling the Cambodia issue politically.

He said Thailand is willing to strengthen its cooperation with China in this regard.

During the meeting, Li and Khukrit spoke highly of the constant expansion of Sino-Thai friendly, cooperative relations.

### **Li Peng Meets Malaysian Head of State**

*OW0310154190 Beijing XINHUA in English  
1452 GMT 3 Oct 90*

[Text] Beijing, October 3 (XINHUA)—Chinese Premier Li Peng met with Sultan Azlan Shah, Malaysian supreme head of state and president of the Asian Hockey Federation here this afternoon.

According to Foreign Ministry sources, during the meeting Azlan Shah said Malaysia-China relations, economic and trade relations in particular, are developing well.

He said the Malaysian Government has lifted all restrictions on visits to China, a move which he said will help further the exchanges and relations between the two countries.

Azlan Shah conveyed the Malaysian Government's invitation for Li Peng to visit the country, which the Chinese premier accepted with words of appreciation.

Li Peng said he hoped Azlan Shah will pay an official good-will visit to China as guest of the Chinese Government next time. Azlan Shah, invited by the Organizing Committee of the 11th Asian Games, is here for Asian Games-related activities, including attending its closing ceremony.

Li Peng, defining the present situation in South-East Asia as good in general, said China has greatly improved and developed its relations with its neighbors, in line with the five principles of peaceful coexistence.

"We always believe that countries in the same region should develop friendship and strengthen cooperation with each other, so that the region will enjoy lasting peace and the people of various countries in the region can concentrate on building their nations," he said.

They also exchanged views on the Cambodia issue and the Gulf crisis, reaching comprehensive agreement.

This morning, Azlan Shah viewed the men's diving competition of the Asian Games.

## **West Europe**

### **Yang Shangkun, Li Peng Congratulate Germany**

*OW0310164290 Beijing XINHUA in English  
1627 GMT 3 Oct 90*

[Text] Beijing, October 3 (XINHUA)—Chinese President Yang Shangkun and Premier Li Peng today sent messages respectively to Richard von Weizsacker, president, and Helmut Kohl, chancellor, of the Federal Republic of Germany, expressing their congratulations on German unification.

In his message, President Yang said he, on behalf of the Chinese people, heartily congratulated President Weizsacker and the German people on German unification. He wished the Chinese-German relations and the friendship between the two peoples develop steadily.

In his message to Chancellor Kohl, Premier Li said that the Chinese Government and people have always shown an understanding and been sympathetic and supportive of the desire of the German people to realize unity. China had good relations with the two Germanys in the past and is willing to develop friendly and cooperative relations with a united Germany on the basis of mutual respect, equality and mutual benefit.

Li said it is his deep belief that maintenance and development of the friendly Chinese-German relations are not only in the interests of the two peoples but also of great significance for the safeguarding of world peace and stability.

Chinese Foreign Minister Qian Qichen also sent a congratulatory telegram to German Foreign Minister Hans-Dietrich Genscher today. He said he believed the relations between the two countries will be further improved and developed through the joint efforts of the two sides.

### **Greetings Conveyed to German Ambassador**

*OW0310125090 Beijing XINHUA in English  
1215 GMT 3 Oct 90*

[Text] Beijing, October 3 (XINHUA)—Chinese Vice-Premier Wu Xueqian here today expressed the hope of the Chinese Government and people that the unification of Germany would be beneficial to the consolidation of peace and stability in Europe and in the world as a whole.

He made the remarks in a meeting with Ambassador Hannspeter Hellbeck of the Federal Republic of Germany to China.

According to an official of the Chinese Foreign Ministry, Wu Xueqian said: "The Chinese Government and people have always understood, sympathized with and supported the desire of the German people for unification. We respect their choice and welcome the ultimate peaceful unification of Germany."

China had good relations with the two Germanys in the past, Wu said, adding China is willing to strengthen and develop its existing friendly relationship with the united Germany on the basis of the five principles of peaceful co-existence.

During the meeting, Ambassador Hellbeck handed over a letter for Chinese Premier Li Peng from German Chancellor Kohl on the realization of the unification of Germany.

The Chinese vice-premier asked the ambassador to convey greetings of Chinese Premier Li Peng and himself to Chancellor Kohl.

### Figures Indicate Trade With Britain Increased

OW0410092790 Beijing XINHUA in English  
0642 GMT 4 Oct 90

[Text] London, October 4 (XINHUA)—Trade between Britain and China rose to new record levels in the first half of this year, according to latest British customs figures.

These show that Britain's direct exports to China reached a record 300 million pounds (about 570 million U.S. dollars), or almost 50 percent higher compared with 205 million pounds (about 389.6 million dollars) in the same period last year.

As a result, Britain has moved tenth to the seventh place among exporters to China, having overtaking France, Italy, Singapore and Australia.

In the same period, China's exports to Britain increased to 277 million pounds (about 526.4 million dollars), 14 percent higher than last year's figure.

Britain's sales to China included power generating equipment, machinery, iron ore, steel ingots and forged steel parts, coal, edible oils, pharmaceuticals, fertilisers and wheat.

China's main exports were clothing, travel goods, handbags, telecommunications equipment, sound recording and reproducing equipment, organic chemicals and animal by-products.

British market analysts say that they believe there will be new opportunities for British companies in China as it has made it clear that its emphasis over the next few years will be on power generation, energy, telecommunications and transport.

They also think that the future for Sino-British trade looks bright with recent improvements in China's foreign trade structure and better conditions for foreign businesses in China.

### Forestry Minister Ends Visit to Cyprus

OW0310173090 Beijing XINHUA in English  
1714 GMT 3 Oct 90

[Text] Nicosia, October 3 (XINHUA)—The Chinese Government's special envoy and Minister of Forestry Gao Dezhan left here for home today after a three-day visit to Cyprus.

Gao was invited by the Cyprus Government to take part in the celebrations marking the 30th anniversary of Cyprus' independence.

During his stay in Cyprus, Gao was received by Cyprus President George Vassiliou at the Presidential Palace.

While expressing welcome to the special envoy of the Chinese Government, Vassiliou said that his recent visit to China was "very successful" and left him "a beautiful and deep impression." He also said he hoped "relations between Cyprus and China will be developed further."

Gao, on behalf of the Chinese Government and people, extended "sincere wishes and warm holiday greetings" to the Cyprus Government and people.

Gao, who arrived here Saturday, watched a military parade, a grand laser show and exhibitions of arts.

Cyprus gained independence in 1960 after a four-year liberation struggle against the British colonial rule which began on this eastern Mediterranean island in 1878.

China and Cyprus have enjoyed good relations since the establishment of diplomatic relations in 1971. Recent years have witnessed a further development of relations in political and economic fields with the exchange of high-level official visits.

President Vassiliou visited China in late August and his visit has been described as having turned "a new page in the relations between the two countries."

### Nuclear Energy Delegation Ends Visit to France

OW0310172590 Beijing XINHUA in English  
1654 GMT 3 Oct 90

[Text] Paris, October 3 (XINHUA)—Vice Minister of the Chinese Science and Technology Commission and Director of the Chinese National Nuclear Safety Administration Zhou Ping ended his eight-day visit to France today and flew home.

Zhou and his group visited here at the invitation of the French Nuclear Energy Commission. During their stay, Zhou and his group discussed technological cooperation with their French counterparts and visited the nuclear refuse disposal plant.

**Zhu Liang Meets Italian Socialist Leader**

OW0310171490 Beijing XINHUA in English  
1649 GMT 3 Oct 90

[Text] Rome, October 2 (XINHUA)—Bettino Craxi, general secretary of the Italian Socialist Party, said he appreciated the efforts the Chinese Government has made in the Gulf crisis.

Bettino Craxi, who is Italy's former prime minister, made the remark during a meeting today with Zhu Liang, head of the International Liaison Department of the Central Committee of the Chinese Communist Party.

In the meeting, Zhu expressed China's opposition to the Iraqi occupation of Kuwait.

But he said it is the hope of the Chinese Government to see all the parties concerned adopt a restrained attitude and settle the crisis through negotiations.

Craxi said Iraqi troops should immediately withdraw from Kuwait and the Middle East crisis should be resolved through negotiations among Arab countries.

Zhu arrived here from Spain on his way to Libya.

He also met Giuliano Amato, vice secretary general of the Italian Socialist Party.

**Zhu Liang Meets With Italian Prime Minister**

OW0410092490 Beijing XINHUA in English  
0640 GMT 4 Oct 90

[Text] Rome, October 3 (XINHUA)—Italian Prime Minister Giulio Andreotti met today with visiting Chinese official Zhu Liang to exchange ideas on future bilateral ties and the Gulf crisis.

Zhu, the minister of the International Liaison Department of the Chinese Central Communist Party [as received], said China's official position concerning the Gulf issue is to maintain a restrained attitude and search for a peaceful settlement.

Andreotti said he appreciates the significant role China continues to play in the U.N. Security Council's resolutions against the Iraqi invasion of Kuwait on August 2.

Meanwhile, Zhu spoke highly of Andreotti's efforts made to enhance cultural, economic and political cooperation between the two countries.

## Political & Social

### NPC Vice Chairman Liao Hansheng Visits Tianjin

SK0310053890 Tianjin City Service in Mandarin  
2300 GMT 2 Oct 90

[Text] On the morning of 2 October, Liao Hansheng, vice chairman of the National People's Congress Standing Committee, who was accompanied by Wu Zhen, chairman of the municipal People's Congress Standing Committee, was very interested in visiting the municipal hall of ancient culture and the Tianjin National Museum. He also paid a visit to exhibitions of folk fine art works and (folk pottery products), which were sponsored by the Nankai District in its second weekly campaign of folk arts exhibitions; and he also viewed the performances of folk artistic programs.

During his visit to the painting and calligraphy exhibition, he also wrote a few words of encouragement for the district's weekly campaign, which read "Enlarge the Folk Culture and Enliven the Mass Culture".

### Song Ping Praises Gansu Drum Troupe Performance

HK0310064990 Lanzhou Gansu Provincial Service  
in Mandarin 2300 GMT 26 Sep 90

[Excerpt] Our province's (Taiping) Drum Troupe staged an excellent performance at an entertainment party held to celebrate the Asian Games and greet National Day in Beijing's Workers' Cultural Palace yesterday evening.

Leaders of the central authorities and leaders of various departments of the State Council attended the evening party.

After watching the performances, Song Ping, member of the Standing Committee of the Political Bureau of the CPC Central Committee, delivered an ebullient speech in which he said: During the period of the Asian Games and National Day, the (Gansu delegation) has given excellent performances. [passage omitted]

### Weak Links in Overall National Security Exposed

HK0310013790 Hong Kong SOUTH CHINA  
MORNING POST in English 3 Oct 90 p 3

["Analysis" by Willy Wo-Lap Lam]

[Text] Yesterday's crash is a tremendous embarrassment to China, which is basking in what the local media has called a triple happiness: record gold medals at the Asian Games, its 41st National Day, and the Mid-Autumn Festival.

The hijacking also shows up weak links in national security in spite of efforts by Beijing to beef up the army and police force after last year's June 4 massacre.

Before the Asian Games opened on September 22, Chinese security units had received reports that attempts would be made to sabotage the event. Extra soldiers and

police were deployed to foil any disruptive activities in the capital and the larger cities.

Crack anti-riot and anti-terrorist units were formed in major cities, armed with the latest weapons from abroad.

Beijing's mayor, Mr. Chen Xitong, pointed out last week that efforts by "an extreme minority of trouble-makers" to challenge law and order were tantamount to "ants trying to shake up the giant tree".

However, while security in Beijing is considered by Western diplomats as "airtight", that in the provinces is not as good.

Xiamen airport, from where the hijacked aircraft took off, is known in industry circles for its lax security.

In May 1988, two hijackers boarded a Guangzhou-bound Boeing 737 there and successfully commandeered it to Taiwan. Since then, security measures in the airport have been overhauled.

However, its proximity to Taiwan—one of the few places that might still grant asylum to Chinese hijackers—makes it an ideal staging area for Chinese desperate to leave the country.

Yesterday's events show there are still faults in the security at the airport and China's airline industry in general.

Defence analysts say that since the Tiananmen Square massacre, Beijing has had tremendous morale problems in army and police units.

For example, individual military and other security units in Guangdong have offered shelter to fugitive student activists, including Miss Chai Ling.

In late 1989 and early this year, the Politburo member in charge of security, Mr. Qiao Shi, visited southern China with a view to plugging security leaks.

A reshuffle of the regional commands of the People's Liberation Army and the paramilitary People's Armed Police took place in the spring.

Analysts said because of yesterday's events there would be a further shakeup of the nation's security apparatus.

The severity of the situation is underlined by the fact that special investigation task forces have been set up in units, including the Chinese aviation authorities, the Ministry of Public Security, and the provincial governments of Guangdong and Fujian.

The Prime Minister, Mr. Li Peng, flew to Guangzhou yesterday afternoon to make an on-the-spot investigation.

Chinese sources said Mr. Li briefed provincial cadres, especially those involved with security, on the need to increase their guard against future sabotage attempts.



Bombing incidents have been reported in several cities, including Guangzhou and Shenzhen, since early this year.

### **Media Ordered To Toe Line Regarding Plane Crash**

*HK0410031490 Hong Kong HONGKONG STANDARD in English 4 Oct 90 p 6*

[Text] Chinese media groups in Guangzhou have been told to toe the official line of the Xinhua News Agency when reporting the air crash.

Media sources said yesterday the Propaganda Department of the Party's Central Committee issued the instructions on Tuesday.

According to the instructions, news groups had to strictly follow reports released by Xinhua and should "play down" the news.

Sources said the official policy was ordered by Premier Li Peng who flew to Guangzhou on Tuesday and visited crash victims in hospital.

However, Chinese authorities have apparently adopted a flexible attitude towards Hong Kong and Macao journalists.

A seven-point rule announced last November required Hong Kong and Macao journalists to apply for interviews and reporting assignments 15 days in advance.

The rule has widely been seen as a new measure to tighten control over reporting after the June 4 crackdown last year.

Most Hong Kong news organisations sent reporters to Guangzhou a few hours after the disaster without submitting written applications.

It is understood arrangements for press coverage are being handled by a high-powered team.

### **Commentary on Knowledge of Respecting Intellectuals**

*OW0310184690 Beijing BAN YUE TAN in Chinese No 16, 25 Aug 90 pp 4-6*

["Semimonthly Commentary by Hua Chao (5478 6389): Promote the Practice of Respecting Knowledge and Proficient Personnel"]

[Text] One important mission confronting all party organizations is to respect knowledge and proficient personnel and give fuller play to intellectuals' initiative and creativity so that they will make concerted efforts in summounting difficulties and expediting the forward movement of our socialist modernization.

Following the Third Plenary Session of the 11th CPC Central Committee, the CPC, guided by Comrade Deng Xiaoping's instruction that we should respect knowledge and proficient personnel, has drawn up a series of

general and specific policies relevant to respecting, cherishing, and supporting intellectuals; and intellectuals' status and their working and living conditions have changed substantially. On the whole, the overwhelming majority of intellectuals are contented with their treatment and enjoy their peace of mind.

The problem now is: After some intellectuals got involved with the political storm in one way or another last year, people have had some misconceptions about intellectuals, and intellectuals themselves have also had some misgivings about party policies. Armed with the speech by Comrade Jiang Zemin given at the capital's meeting to commemorate the May 4th Movement, we should do away with misconceptions and misgivings in order to promote understanding and strengthen unity.

**First, the roles played by intellectuals in construction and reforms should be fully assessed.** If we say that our victories in revolution in the past would be unlikely without intellectuals' participation, then our victories in today's construction and reforms would be even more unlikely without the participation of intellectuals. If we look at the four decades since the founding of the PRC, we can see that intellectuals working at various party and government organs as well as those working on the industrial, agricultural, commercial, educational, scientific, technological, cultural, public health, national defense, and diplomatic fronts have made indelible contributions to socialist economic, political, and cultural development, to the management of state and social affairs, and to the safeguarding of national dignity and the people's security. As we all know, the wisdom and labor of Chinese scientists and technicians are embodied in the development of China's atomic bombs, hydrogen bombs, nuclear submarines, and manmade satellites; the successful launching of the carrier rocket Long March II and the AsiaSat I Satellite by Long March III not long ago; and the designing and construction of the Changjiang Bridge at Nanjing, the Gezhouba Dam, and the electron-positron collider, the development of high temperature superconductor materials, and the dissemination of long-grained hybrid rice. In carrying out the great historical missions of reforms and modernization, we must give fuller play to the roles played by intellectuals and not downgrade them. The roles played by intellectuals cannot be replaced by other laborers.

**Second, the assessment that the "overwhelming majority of intellectuals are good" should not be changed.** Our intellectuals are fine people who support the four cardinal principles and the reform and open policy, and who are capable of rendering meritorious services. Although a small number of intellectuals indeed got involved with the political storm in one way or another last year, we should not change this assessment if we analyze the situation in the spirit of seeking truth from facts. During that storm, the overwhelming majority of the 20 million or so intellectuals, who were educated by the party for a long time, cherished the hard-won political stability and unity and withstood the test. And because they were misinformed, a small number of

comrades indeed said some wrong things and did something improper. But most of these people's problems were ideological, and they should be able to learn their lessons and dedicate themselves to socialist modernization after studying and examining their mistakes. Those who stubbornly uphold bourgeois liberalization, attach themselves to reactionary forces abroad, and continue to be enemies of the people are just an extremely small number of degenerates who can hardly represent all other intellectuals. Some people think that the assessment, namely that the overwhelming majority of intellectuals are fine, is applicable only to those who are middle-aged or old, but not the young. This observation is also incorrect. Most young Chinese intellectuals love their motherland, the people, and socialism; they study hard and have lofty ambitions. They are already shouldering heavy responsibilities in various fields and are making contributions, or will be doing so very soon. Although they are inexperienced and unfamiliar with the national situation, and a small number of them even do not have a correct concept toward life and value owing to the influence of bourgeois liberalization, these are problems that can be dealt with through helping them or educating them, and they should not be accused on that basis. Rather, these problems indicate that the party must intensify and improve its ideological and political work. Just as Comrade Jiang Zemin said, the responsibility for problems discovered among young intellectuals in recent years rests primarily with mistakes made by our party, not with young people.

**Third, we must uphold the conclusion that intellectuals are part of the working class.** The conclusion that Chinese intellectuals are part of the working class was made by Comrade Deng Xiaoping 12 years ago. This conclusion was made strictly on a scientific basis. First of all, as mental laborers, intellectuals are not different from workers engaged in physical labor except that their responsibilities are different; they are laborers of our socialist society just the same. Second, thanks to the party's education, Chinese intellectuals have made significant progress since the founding of the republic, and the overwhelming majority of them have sided with the working class politically. Although 12 years have elapsed, the "basis" mentioned above has not vanished or has had any significant changes, and so the conclusion made on that basis cannot be said as outmoded.

Some comrades say that this is the time that we should underscore the need to depend wholeheartedly on the working class, and intellectuals are already out of favor. People with this view do not clearly understand that depending on the working class is not a new policy but a consistent policy of the CPC. The reason why this policy has become conspicuous is because it is needed to correct the recent unhealthy trend of praising the so-called "elite management of state" and downgrading the working class. This does not contradict the need to trust intellectuals and seek their support. Since intellectuals are part of the working class, depending wholeheartedly on the working class naturally means that we must also depend

on intellectuals, and so the question about whether or not intellectuals are out of favor simply does not exist.

**Fourth, we must continue to implement the policy of caring for intellectuals and cherishing them.** The general requirement is to work hard to create a social environment and a working environment in which intellectuals can contribute their capabilities.

We must continue to implement the policy of "letting a hundred flowers blossom and a hundred schools of thought contend," encourage everyone to emancipate their minds, say what they want to say, and dare to explore and innovate. Under the premise of upholding the four cardinal principles, all theoretical research aiming at building a Chinese-style socialist society, all ventures aiming at promoting socialist culture and our fine national culture, and all suggestions and criticism aiming at helping the party and the government make better decisions and improve their work should be encouraged and supported.

We must continue to work wholeheartedly to improve intellectuals' working and living conditions. We must work earnestly and solve as quickly as possible all problems that can be solved. For problems that can not be solved within a short time, we must explain to intellectuals truthfully and carry out thoroughgoing and meticulous ideological work among them. We believe that intellectuals will consider the overall needs and understand the state's problems.

Meanwhile, we must earnestly implement the decision made by the Sixth Plenary Session of the 13th CPC Central Committee and work hard to strengthen the ties between the party and intellectuals. Leading comrades at all levels must visit intellectuals regularly, confide in them sincerely, and hear their views humbly. When we have cultivated among the public the fine habit of respecting knowledge and proficient personnel, the vast number of intellectuals certainly will make exceptional contributions that can live up to the expectations of this age and of the people!

#### **Hinterland Areas Open Wider to Outside World**

OW0310185290 Beijing XINHUA Domestic Service  
in Chinese 0006 GMT 27 Sep 90

[By reporters Yang Futian (2799 4395 3044) and Wang Youfu (3076 2589 1381)]

[Text] Nanjing, 27 Sep (XINHUA)—Along with the quickened pace in opening up to the outside world in the eastern coastal areas, China's hinterland regions have quietly surged ahead in the same direction.

In recent years, the open-door fever in the coastal areas has not only promoted local economic development but also stimulated the "nerve center," that is, the decision-making organizations, in many hinterland areas. In light of their own specific conditions and characteristics, they have formulated measures for opening to the outside



world with their own special features. They are determined to follow the steps of the coastal areas in promoting their modernization drive.

In late May of this year, the provincial government of Henan Province in central China announced regulations aimed at further promoting the Zhengzhou Economic and Technical Development Zone. The zone was launched by the province last year and was designed to open Henan Province to foreign investors wanting to set up factories there by providing them with a well-planned environment and a unified administrative channel to handle all investment-related formalities. Over the past year or more, this development zone, which is located three km from Zhengzhou City proper, has set up eight enterprises with a total investment of 49.37 million yuan, of which \$6.84 million are direct investments from foreign businessmen. The gigantic color and black-and-white screens installed at the main stadiums of the Asian Games in Beijing are the products of the Zhongyuan Display Techniques Development Corporation in this development zone. More than 200 foreign businessmen have come and negotiated on a total of over 70 investment items, of which more than 20 have been approved.

Gansu Province's Dunhuang City, situated deep in the vast desert, has boldly formulated a plan to establish a tourism economic development area on a trial basis. This small city, universally-known for its art treasure in Mogao Grotto, has attracted overseas tourists in recent years, whose number is growing at an annual rate of 30 percent. In peak season, the highest number of tourists was 2.5 times the city's population. The development of tourist industry has promoted tourism-related economy. For the last few years, production of tourism-related articles such as carpets, luminous glasses, crystal stone spectacles, wood carve, stone carve, and colored plastics have doubled with 15 main categories consisting over 110 varieties. Dunhuang City, with an urban population of about 20,000, now has a total of over 130 guesthouses, hotels, and inns with more than 5,000 beds, which are run by the state, the collectives, and the individuals. Last year, the city earned more than 17 million yuan from the tourist industry, more than 40 times the figure of 1979. It is learned that, in the coming five years, Dunhuang City will open up four more new tourist attractions and add a host of new scenic points. In addition, breakthroughs are reported in opening to the USSR, East Europe, the Middle East, and other regions. Now, Xinjiang has set up five border trade points. Import and export trade agreements signed with the USSR reached 320 million Swiss francs, averaging a 100 percent annual growth for the last three years. With the recent completion of the new continental link between Asia and Europe and the establishment of Alashankou trading point, Xinjiang will open wider to the USSR and Europe.

Many defense enterprises situated in the hinterland, which used to operate in isolation or semi-isolation, have now involved themselves in international economic exchanges and cooperation. In recent years, the Xian

Aircraft Industry Corporation has signed with its U.S., French, Italian, and Canadian counterparts \$75 million worth of agreements for sub-contracting work, thereby raising 64 manufacturing technologies to advanced international standard.

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HK0210145690 Beijing RENMIN RIBAO in Chinese  
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Article by Zhou Qizhi: "Get Out of the Trough—Reading the Medium-Length Novel 'Trough Operation'"

### Comparison—Jiang Zemin Inspects Inner Mongolia

OW0110114090

Beijing Television Service in Mandarin at 1100 GMT on 30 September, in its "National News Hookup" program, broadcasts a nine-minute report over video on Jiang

Zemin's inspection tour of Inner Mongolia from 23 to 30 September. This version has been compared to the XINHUA Domestic Chinese version published in the 1 October China DAILY REPORT, pages 29-31, and has been found to fully cover Jiang Zemin's activities and remarks, except for the following variation:

Page 29, column one, paragraph three, sentence two reads: "...outlook on nationalities. Jiang Zemin hoped that cadres, staff members and workers, and the masses of all nationalities in Inner Mongolia, as well as the People's Liberation Army and armed police troops stationed in Inner Mongolia would further unite together, rally themselves, work harder, and make contributions to building a united, prosperous, and civilized new Inner Mongolia; to materializing the four modernizations; and to rejuvenating the Chinese nation. (adding sentence)

### Science & Technology

#### Performance of Asiad Information System Good

OW0310165990 Beijing XINHUA in English  
1049 GMT 3 Oct 90

[Text] Beijing, October 3 (XINHUA)—"We are happy and feel relaxed when we see our system has been working so well and provided great help for the journalists," said an engineer of the Beijing Asian Games Electronic Information Service system (EIS) here today.

In an interview with XINHUA, Wang Yunchuan, EIS project manager said, the system has been working 24 hours a day since September 8, two weeks prior to the opening of the games and provided various kinds information to meet the needs of the users.

On average, the system produces 300,000 messages a day, with the highest hitting 580,000 messages on September 27. Up to today, 16 users, including reporters from Malaysia, Singapore, Indonesia, Thailand and the Philippines, have used the system to file stories back home for a total of 600 minutes. No major failure has been registered. Many journalists have expressed their satisfaction with it, Wang went on.

The Electronic Information Service system has become a vital part of sports competitions at the current Asian Games, and EIS has been regarded as one of the most important facilities for the Asiad officials, sports organizations, news agencies, journalists at home and from abroad, referees, coaches and athletes.

According to Wang, the EIS is composed of three Stratus Supermini computers in hardware-based fault tolerance as host computers, which are connected with 450 home made GW 0520 terminals and microcomputers, some 300 printers and other facilities of network communications, providing event results, information on medals, new records, schedules of the games, athlete profiles, electronic mail service, as well as network services which are employed to connect the EIS with people using public switching data network, telex network and paging

system. The users of the system are scattered in more than 50 places, including the organizing committee, the main press center, the Asian Games village, the international broadcasting center and many others.

"The unique feature of the system, started three years ago, is its high efficiency, accurate data and simple operation," said Manager Wang, who is also the chief designer of the project.

Asked how he would compare the system with those used at previous games, he said that "it is much better because it was designed on the basis of the good points of those systems."

The major difference is that EIS is much faster in transmitting data in such events as swimming, because the system is directly linked with the computerized timing system at the pool side.

However, he admitted the system works a bit too slow in case the input at the venue is manual.

He said that the system would become much faster and much more reliable in future bigger sports tournaments if it is continued to be used and some improvements are made.

"If the 2000 Olympic Games is staged in Beijing," Wang said, "we are sure we'll have an even better EIS system to work with."

#### Meteorological Bureau Offers Data to Taiwan

OW0210175590 Beijing XINHUA in English  
1606 GMT 2 Oct 90

[Text] Beijing, October 2 (XINHUA)—Chinese mainland is willing to share with Taiwan the meteorological data transmitted by the second "Fengyun 1" weather satellite in a bid to develop cooperation on the use of weather satellites between the mainland and Taiwan, a spokesman from the State Meteorological Bureau said.

The second "Fengyun 1" meteorological satellite was launched on September 3 in Taiyuan in north China's Shanxi Province.

The spokesman said that if the relevant Taiwan departments need the meteorological data, the bureau will, through proper ways, provide them with the orbit prediction and the technical parameter of the satellite to make it easy for Taiwan meteorological departments to receive the data transmitted by the satellite.

He expressed the hope that the mainland and Taiwan meteorological departments will conduct joint experiments on and make common use of the "Fengyun 1" weather satellite in an attempt to increase the accuracy in forecasting disasters, guarantee life and property safety of the people on both sides of the Taiwan Straits and boost economic development.

**Bureau Creates Anti-Computer-Virus Regulations**

91P60001 Beijing JINGJI RIBAO in Chinese  
27 Aug 90 p 1

[Article by Wang Xuewu (3769 1331 2976): "State Statistics Bureau Formulates Computer-Virus Prevention and Cure Regulations To Guarantee That Census Data Processing Goes On Smoothly"]

[Summary] The State Statistics Bureau (SSB), in an effort to ensure that statistical data processing for the Fourth Census is concluded without a hitch, has—under the guidance of the Ministry of Public Security—been laboring for over a year on the formulation of "Regulations for the State Statistical System's Computer System Security and Prevention and Treatment of Viruses," the first domestic professionally oriented regulation for reinforcing oversight of computer security. SSB relies totally on computer processing of census data, and six types of computer virus—the Ball (or Ping Pong), the Marijuana, the Jerusalem, the Pakistani Brain, the Vienna, and another—have already posed a serious threat to some of the system's nearly 10,000 microcomputers and super-microcomputers over the past year. After having utilized virus detection and detoxification software, SSB discovered that new types of viruses and cross-infections had spread, and was forced to apply further techniques to eradicate the new viruses. Based on successful experiences at all of its offices, SSB has formulated the new regulations, which are to take effect on 1 October [1990]. The new regulations, covering hardware, software use, and networked data communications, have the goal of a "virus-free" environment for census data processing.

**Economic & Agricultural****Li Peng on Planned Economy, Market Regulation**

HK0310131890 Beijing RENMIN RIBAO in Chinese  
24 Sep 90 p 5

[“Li Peng Is Briefed on JINGJI RIBAO Forum, Discusses Combination of Planned Economy With Market Regulation”]

[Text] According to a 19 September JINGJI RIBAO report, State Council Premier Li Peng recently said: I hope that the theoretical and practical workers will closely cooperate and continue to make in-depth studies and positive explorations on the issue of combining the planned economy with market regulation so that the concrete form of such a combination can be gradually matured, institutionalized, and standardized.

Comrade Li Peng expressed his opinion at a forum after listening to a report about the discussion organized by JINGJI RIBAO on combining the planned economy with market regulation. He attached importance and paid close attention to the discussion, which lasted 115 days, and expressed his opinions on several occasions when the discussion was under way.

Comrades attending the forum agreed that the discussion organized by JINGJI RIBAO was useful and prompted more people to pay attention to and attach importance to this significant question. They said that it is of great significance to pursue the guiding principle of combining the planned economy with market regulation, to deepen the economic structural reform according to this principle, and to establish a gradual set of economic operational mechanisms for promoting the healthy development of the socialist planned commodity economy. This will not only ensure the sustained, stable, and harmonious development of our national economy, but will also guarantee that our country is advancing along the socialist road. At present, more and more people have reached the same understanding of this question. The existence of different opinions on this question is not at all surprising and is understandable. In the course of practice, understanding can be further unified. Henceforth, therefore, the discussions, studies, and explorations on the issue of combining the planned economy with market regulation should be focused on “how to combine” the two sides.

How should the planned economy be combined with market regulation? Comrades attending the forum said: We have accumulated certain experience in this respect but an integrated and systematic form has yet taken shape, so further explorations are still needed in the course of practice. An important point here is that when practicing the planned economy, one must consciously abide by and apply the law of value and must pay full attention to the conditions of supply and demand in the market; when conducting market regulation, one must give planned guidance and reduce blindness to the minimum. The degree, scope, and form of the combination between the two sides are mainly contingent on the economic development level and the relationship between supply and demand. Close attention must therefore be paid to the proper combination of reform with development. In the final analysis, to determine if the planned economy is properly combined with market regulation, the criterion of whether or not the development of social productive forces is effectively promoted and the economic results are effectively improved should be implemented.

Comrade Li Peng pinned high hopes on the efforts of the theoretical and practical workers. He held that the economic work has broad room for maneuver under the proposition of combining the planned economy with market regulation and, in fact, all units are involved in such practice in their economic operation. He hoped that theoretical and practical workers will continue to join hands in deeply studying the way to properly combine the planned economy with market regulation. The discussion on this question can continue in newspapers and the explorations in real life should be intensified. It is hoped that JINGJI RIBAO will continue to give expression to the conditions and experience in this regard.



Attending the forum were such economists and responsible people from the departments concerned as Comrades Ma Hong, Yuan Mu, Liu Guoguang, He Guanghui, and Gui Shiyong.

At the same time, JINGJI RIBAO also issued an editorial entitled: "A Scientific Proposition of Far-reaching Significance." The editorial said: The establishment of the proposition of combining the planned economy with market regulation was the result of the correct understanding of the laws governing the socialist economy. We should attach importance to the law of planned and proportionate development; otherwise, we will not be able to maintain and realize the overall economic balance. We should also attach importance to and consciously apply the law of value in order to regulate social production and commodity circulation and to maintain a basic balance between production and demand. The principle of combining the planned economy with market regulation can lead to the proper handling of the relationship between these two basic economic laws. The planned economy should consciously be brought into line with and apply the law of value. Market regulation should be conducted and fulfilled under the guidance of economic plans. Only with the joint functioning of the law of planned and proportionate development and the law of value can the sustained, stable, and harmonious development of the national economy be guaranteed over a long time.

The editorial also said: Realizing the combination of the planned economy with market regulation is the target of the economic structural reform in our country. Through discussion on how to realize the combination of the planned economy with market regulation, we shall gradually deepen and unify our understanding and bring our actions closer to the reform target. This matter has a bearing on the overall situation of reform and modernization construction and on the overall situation of building socialism with Chinese characteristics. Thus, we should attach great importance to it. The discussion on such an important question in theory and in practice should continue in depth and stress should be laid on practice. We sincerely hope that while carrying out the discussion, various localities will seriously make investigations and studies in grass-roots units; discover, create, and sum up fresh experience; and make contributions to the fulfillment of the reform target.

#### **Editorial Examines Market Combination, Practice**

HK0310134090 Beijing JINGJI RIBAO in Chinese  
19 Sep 90 p 1

[Editorial: "A Scientific Proposition of Far-reaching Significance"]

[Text] The discussion on how to realize the combination of the planned economy with market regulation organized by this newspaper has aroused close attention from various social circles. Recently, Comrade Li Peng expressed his opinion on this issue and hoped that

theoretical and practical economic workers would continue their in-depth studies and positive explorations on this issue. This scientific proposition has aroused high interest among people and people have acquired a better understanding of this issue in theory and in practice. This will play a significant role in promoting and guaranteeing the sustained, stable, and harmonious development of our socialist economy.

The question of combining the planned economy with market regulation is a fundamental question in the operation of the socialist economy in our country. From the practice of economic construction in our country during the past 40 years, and especially the experiences of reform in the past 10 years, we know that only by handling the relationship between planning and market in a scientific way can we promote the smooth development of our socialist economic construction. Through many years' explorations, we have made creative breakthroughs in theory and in practice by propounding the principle of combining the planned economy with market regulation. The establishment of this scientific proposition shows a clear goal for the socialist economic structural reform in our country and outlines the socialist economic operational model with Chinese characteristics. Therefore, it is necessary to deeply and correctly understand the significance of this important proposition and actually implement it in our practical work.

The establishment of this proposition was the result of the correct understanding of socialism and the socialist economic operation. For a long time past, some people maintained that planning and market were incompatible or held that planning represented socialism while the market represented capitalism. This was a misunderstanding. The commodity economy and market are not unique economic forms in capitalist society; still less do they only belong to capitalism. Marxism tells us that in any social form, as long as social division of work exists, there inevitably exists commodity production and market. The socialist economy still has the attribute of the commodity economy, so the development of the socialist economy must also be linked with the growth of and functioning of the market. The difference lies mainly in the fact that the socialist commodity economy is a planned commodity economy based on public ownership, while the capitalist commodity economy is a market economy based on private ownership and mainly regulated by the market forces spontaneously. The model of combining the planned economy with market regulation which we uphold is different from the operational model in the capitalist market economy and is also different from the operational model in the traditional planned economy. The new notion did not come into being easily, and it should be regarded as a major breakthrough in both theory and practice.

The establishment of this proposition was the result of our correct understanding of our country's conditions. The basic national conditions in our country are a large population, a weak foundation, and a low level of

productive forces. To build socialism in such a country as ours, our central task is to emancipate productive forces and thus gradually free the people from poverty and backwardness through the continuous development of the productive forces, making them rich together. The establishment of the socialist system of public ownership negated the capitalist system of private ownership and the development of productive forces under the socialist system should be higher and quicker than that under the capitalist system. However, the traditional model of the planned economy neglected and even negated the existence and development of the market, neglected and even negated the important role of the law of value. To a certain degree, this hindered the development of productive forces and dampened the production enthusiasm of the masses. The key factor which determines whether the superiority of the socialist planned economy can be brought into full play is whether or not the exercise of the planned economy is closely linked with the national conditions, with developing the commodity economy and respecting the law of value, and with the effective functioning of market regulation. In such a large country as ours, where the economic development level is not high and regional development is uneven, it is necessary to fully develop the commodity economy, continuously raise labor productivity, promote the socialization of production, and enrich the variety of commodities; at the same time, it is also necessary to restrain the negative side of the commodity economy and bring it into the orbit of planned development. Only thus can we reasonably use the resources, protect and promote the development of the productive forces, prevent polarization, and enable the people to become rich together. The combination of the planned economy with market regulation is a correct selection in line with our country's actual conditions.

The establishment of this proposition was the result of our correct understanding of the laws governing the socialist economy. We should attach importance to the law of planned and proportionate development; otherwise, we will not be able to maintain and realize the overall economic balance. At the same time, we should also attach importance to and consciously apply the law of value in order to regulate socialist production and commodity circulation and to maintain a basic balance between production and demand. The principle of combining the planned economy with market regulation can lead to the proper handling of the relationship between these two basic economic laws. The planned economy should be consciously brought into line with the law of value and should consciously apply the law of value. Market regulation should be conducted and fulfilled under the guidance of economic plans. Only with the joint functioning of the law of planned and proportionate development and the law of value can the sustained, stable, and harmonious development of the national economy be guaranteed over a long period.

In short, the scientific proposition of combining the planned economy with market regulation is put forward

on the basis of summing up the positive and negative experience in our country's socialist economic construction over the past 40 years and it is in keeping with our country's actual conditions. We should not merely regard this proposition as a slogan but should understand it and take it as a major principle which we must follow in our practical work. This proposition has substantial content and needs to be further substantiated and perfected in the course of practice.

Realizing the combination of the planned economy with market regulation is the target of the economic structural reform in our country. Through discussion on how to realize this combination we shall gradually deepen and unify our understanding and bring our actions closer to the reform target. This matter has a bearing on the overall situation of reform and modernization construction and on the overall situation of building socialism with Chinese characteristics. Thus, we should attach great importance to it. The discussion on such an important question in theory and in practice should continue in depth and stress should be laid on practice. We sincerely hope that while carrying out the discussion, various localities will seriously make investigations and studies in grass-roots units; discover, create, and sum up fresh experience; and make contributions to the fulfillment of the reform target.

#### Article Identifies Industrial Structure Problems

HK0310150590 Beijing JINGJI RIBAO in Chinese  
17 Sep 90 p 1

[Article by reporter Yang Guomin (2799 0948 3046): "What Are the Difficulties in Readjusting the Structure of Industry?"]

[Text] At present, the country's economic front is confronted by a very important task, that is, the further rationalization and gradual sophisticated development of the structure of industry so that the national economy will truly move into a benevolent cycle characterized by sustained, stable, and harmonious development and comprehensively achieve the strategic goals by the end of the century.

The difficulties in the readjustment of the structure of industry are no small matter. At present, local governments at all levels seem to be plagued by the same problem: What to do with enterprises of oversupplied products as well as enterprises of high consumption and low efficiency? If the structure of industry is readjusted to open up new products or switch production, there is a shortage of capital. If enterprises are merged to facilitate the flow of key production factors and improved combinations, there are restrictions imposed by the industry, the public ownership system, and other conditions. If enterprises are closed down or declared bankrupt, employment of staff and workers becomes a problem, with some of them bound to face economic hardships and thereby create a factor of instability in society. If all of them are taken up by the state, it will create a heavy burden to the financial system. And with enterprises

wasting away state capital and resources, there can be no talk whatsoever of economic efficiency.

**The Problems of Irrational Industrial Structure in Our Country Are Manifested Principally in the Following Aspects:**

- Lack of harmony in the relations between industry and agriculture, with the foundation of agriculture still relatively fragile. Grain supply remains insufficient, necessitating the import of grain every year. Production of cotton is also far from satisfying the demands of the textile industry. The material and technical foundations for agricultural production, capability to overcome natural disaster, and ability to expand reproduction are also relatively poor.
- Lack of harmony in the ratio between industry itself, basic industry and processing industry. Composition of industry is backward. The basic industry is seriously lagging behind the development of the processing industry, while huge gaps exist in such infrastructures as transportation, communication, water supply and energy supply, causing most of the existing production capability to lay idle. At the same time, the majority of the departments and sectors making up our country's industries are hampered by poor levels of technology and management. Products are not advanced enough and have poor performance, low quality, high consumption, poor competitiveness, and low efficiency.
- Irrational industrial structure in regions, with a very serious problem of structural duplication. In their pursuit of big and comprehensive or small and comprehensive, many regions have caused a serious problem in the overlapping importation and construction of processing industries related to color television, refrigerators, automobiles, cotton spinning, and wool spinning. Moreover, they have also blindly engaged in raw materials industries such as steel, glass, and caustic soda. Some of these plants are too small and can only attain a low production level. Economic results are poor but large investments are taken up. These conditions caused many important industries to fail to achieve the economic scale which conforms with the demands of big socialized production and to realize the division of specialized labor and cooperation. Hence, the industrial structures in raw materials producing areas and processing areas are uneven and tend to move toward duplication.
- Irrational structure in the composition of industry and difficulty in meeting the demands of a scale economy founded on the basis of specialized cooperation, hence growth of big enterprises is limited while that of small enterprises is uncontrollable. While our country has big enterprises, most of them are comprehensive factories and not specialized one. The gap between production scale and economic scale is too wide. Small enterprises are also always aiming for comprehensive development. The number of specialized enterprises is few and far between. For instance, our country now

has more than 100 car manufacturing plants, thus surpassing the total number of commercial car manufacturing plants in developed countries including the United States, Japan, Germany, France, England, and Italy. Yet only the Number One and Number Two Car Manufacturing Plants possess an annual production capability of more than 50,000 cars, while only five plants have annual production of more than 10,000 cars.

- Irrational structure in import and export. Export earnings cannot meet the needs of the growth of the national economy. Export commodities are burdened by high cost, poor competitiveness, low added value, and primitive production structure. These problems seriously hinder the benevolent cycle in our country's industrial structure.

The readjustment of the structure of industry will fundamentally solve the problem of uneven economic development and poor economic results in our country. It is the main target in the process of improvement and readjustment, trailing just behind efforts for control of total amount. Besides, problems created by the control of the total amount such as the soft market will also be resolved through structural readjustment.

Over the last few decades since the founding of the PRC, we have consistently stressed the harmony of proportional relations and structural rationality, and have carried out several major readjustments. However, in the end, it is still a very irrational structure which emerged. The process of improvement and readjustment has created a very good opportunity for structural readjustment. Over the past year, thanks to comprehensive measures adopted in all aspects, the readjustment of our country's industrial structure has borne initial results. However, these advances are only preliminary, and not much has changed in the general pattern of irrationality in the structure of industry. The state's regulations putting restrictions on or end to certain industries and products were not effectively enforced. For instance, some localities and departments continue to give vital production support to enterprises which are outside state designations, such as in automobiles, motorcycles, small cotton spinning mills, small wool spinning mills, white wine, vacuum cleaners, small ferroalloy plants, and raw coke. Concerning construction, they continued to lay stress in the development of non-state designated items including automobiles, colored tubes, glass shells, polyester, cameras, and washing machines by constructing or expanding buildings. Import of restricted or banned items such as air conditioning systems, motorcycles, television sets, video cassette recorders, cosmetic items, clocks and watches, eyeglasses, foodstuffs and garments continue without relent. Readjustment of composition and structure of enterprises has met with opposition and no visible changes can be seen. Meanwhile, the momentum has not slackened in regional economic blockades, overlapping construction and duplication in structure of industry.



**What Are the Difficulties in the Readjustment of the Structure of Industry? It Is Generally Maintained by People in the Economic Circle That the Principal Difficulties in the Current Structural Readjustment Lay in the Following Aspects:**

One. Difficulty in the readjustment of inventory and great resistance to the flow of key production factors and reorganization. So far, readjustment has only been made to divert partial increments to key industries, while contradictions remain abundant in efforts to restrict development of industries and to carry out product inventory readjustment. The main problems are: One, the contradiction between closure, stoppage, merger, and conversion to the question of social stability. Structural readjustment would require closure, stoppage, merger, and conversion of industries and products under restriction. This would give rise to the number of people awaiting employment and create more difficulty in inventory readjustment. Two, contradictions between the economic responsibility system and inventory readjustment. Economic responsibility systems of all forms have enhanced the rigidity of regional, departmental, and entrepreneurial interests. Localities and enterprises have shown a lack of enthusiasm in readjusting highly-efficient and high-yielding industries and products which should be restricted.

Two. Contradiction between structural readjustment and the existing economic management and price systems. The comprehensive departments in charge of finance, banking, taxation, prices, and others all fall under horizontal command, putting a rein on the economic regulatory and control measures in the hands of local governments and creating difficulties to the implementation of macroregulation and control in the local areas. Some economic administrative departments are hampered by economic results and encounter real problems in carrying out industrial policies. For instance, among the key items designated for support, those involved in processing and which promise fast returns would find it easier to secure bank loans, while construction of capital industrial items with long cycle and slow returns will have a harder time obtaining bank loans. At the same time, owing to the negative effects caused by the policies in financial, foreign trade, and entrepreneurial rationing, localities are motivated by the profit system and are very unlikely to voluntarily sacrifice financial and export earnings in order to abide by the state's industrial policy.

Third, contradiction between capital shortage and structural readjustment. On one hand, the bank's borrowing rate has not had any leverage on the readjustment of the structure of industry, and does little to support the best and restrict the worst as demanded by the state's policy of industrial readjustment. On the other hand, the enterprises' problem of capital shortage often thwarts plans

for readjustment. Structural readjustment requires both addition and elimination, but whether it is the development of new high technology products or strengthening of tertiary industry and construction of infrastructures, a certain amount of capital is needed. However, enterprises are presently suffering from acute shortage of capital funds, which, in turn, affects the implementation of industrial policies.

Four. The existence of state policy on industries and absence of regional policy on industries also contributed to difficulty in implementation of industrial policy. Because of the vastness of our country, the natural conditions in different regions vary and economic developments are similarly uneven. If no distinctions are made and all localities forced to implement a unified industrial strategy, regional advantages are often sacrificed. Hence, it is unacceptable to the localities. At the same time, it would also lead to duplication in the industrial structures of regions and to products being in excess supply at one time and in short supply at another time.

Aside from these problems, there is another major issue: lack of coordination among the various state departments and poor macroregulations and control. While the crux of industrial policy has managed to satisfactorily resolve the question of priority in industrial development, concerned departments have failed to come up with corresponding policies and measures, thus seriously affecting the implementation of the industrial policy.

Readjustment of the structure of industry is a very complicated systematic process. It requires strong adherence to the policies, covers a large area, and needs coordination and cooperation among all concerned departments including planning, finance, and banks in order to push it ahead. Concerned personalities in the economic circle have pointed out that the fundamental path for readjustment of our country's structure of industry lies in reform. At present, it is particularly necessary to perfect and accelerate the reform of the financial system, monetary system, price system, and operations of enterprises so that they, in turn, can adapt to and promote the readjustment of the structure of industry. At the same time, it is imperative to accelerate the building of a social security system. Reforms should be able to give full play to the superiority of a planned economy and strengthen the state's role in macro-guidance, regulation and control. They should also be able to give full play to the role of the market mechanism and, through the markets, spontaneously guide and readjust the structure of industry.

While the readjustment of industrial structure is complicated, the direction is clear. As long as we persevere and act with determination to march firmly along the road to reforms, the expected results will be attained.

### Rapid Growth in Energy Industries Reported

HK0310135590 Beijing RENMIN RIBAO OVERSEAS  
EDITION in Chinese 24 Sep 90 p 1

["Dispatch" by reporter Zhang Heping (1728 0149 1627): "China's Energy Industries Develop Rapidly"]

[Text] Over the past two years, the Ministry of Energy Resources, which was established amid structural reform, has, in the course of improvement and rectification, relied on reforms and policies to constantly improve the labor productivity and economic results of energy enterprises and spurred the rapid development of various energy industries, thus vigorously supporting the adjustment of the national economy.

The growth in the nation's coal and electricity production in the past two years has been the fastest in the last 10 years. In 1988, China's raw coal output reached 979.87 million tonnes, an increase of over 50 million tonnes over the previous year; in 1989, it rose to 1,054 million tonnes, an increase of 75 million tonnes over the previous year, something rarely seen in the past. Of this, the coal mines under unified distribution registered a net increase of over 14 million tonnes and over 23 million tonnes respectively over the past two years. This represents two years of the largest increase in the last 10 years. In 1988, the nation's electricity generation reached 540 billion kilowatt-hours, a rise of 9.6 percent over the previous year; in 1989, it rose to 584.6 billion kilowatt-hours, an increase of 7.3 percent over the previous year. In the exploitation of petroleum and natural gas, given the difficulties caused by high water containment in major oilfields, we have done a lot of work to stabilize oil output and even increase it slightly. Construction of the Daya Wan nuclear power station and the Qinshan nuclear power station is being expedited and is making satisfactory progress. The first generating set of the Qinshan nuclear power station will go into operation early next year.

That is what Wang Wenzhe, a press spokesman for the Ministry of Energy Resources, has told this reporter. Wang also gladly told this reporter that, since the beginning of this year, the energy industry is steadily developing in a good direction. From January to August, the total output of coal reached 685.28 million tonnes, generated electricity 403.2 billion kilowatt-hours, and crude oil 91.42 million tonnes, all increasing quite substantially over the previous year. Because energy production has continued to grow rapidly, the contradiction between supply and demand in China's energy, especially in coal and electricity, has eased slightly, thus vigorously supporting the adjustment of national economy.

The news spokesman for the Ministry of Energy Resources also said: Since its inception, the Ministry of Energy Resources has firmly grasped improvement of labor productivity and economic results and attained initial results this year. From January to August this year, the nation's raw coal output rose by 4.81 percent

over the same period last year, and the nation's generated electricity rose by 6.3 percent over the same period last year.

In the past two years, the Ministry of Energy Resources has taken the shortening of construction time as a point of breakthrough in managing and using the existing energy construction funds well. In the construction of thermal power and hydropower plants, the ministry, by introducing a competition mechanism through the invitation and submission of tenders, has stepped up project management, improved construction efficiency, and accelerated construction pace. From ground-breaking to the combination of grids in power generation, it has taken only 24 months to build the first 300,000-kilowatt-hours generating set of Hubei's Hanchuan power plant, a year ahead of the scheduled completion date. Thanks to the shortening of construction time, the second generating set will also generate power ahead of schedule, namely, at the end of this year. Through strengthened management and meticulous organization, the three platforms and one pit of Tiefsa Mining Bureau, which have a designed capacity of turning out 1.5 million tonnes of raw coal a year, are expected to go into operations in November this year, 20 months ahead of schedule.

By "turning our eyes inward and basing ourselves on the tapping of potentials" we can change the outlook of energy industries in the course of reform and opening up and attain development. As a result of poor management and other reasons, the Jianbi power plant in Jiangsu, the largest thermal power plant in China with an installed capacity of 1.625 million kilowatts, can only generate an average of about 900,000 kilowatts of electricity a year. After strengthening discipline and overhauling equipment, they succeeded in raising its annual power generating capacity to over 1.2 million kilowatts, thus it reached 1.5 million kilowatts at its peak. The outlooks of such key power plants as the two plants in Shanxi's Shentou and Datong, the Henan's Yaomeng power plant, and the Liaoning power plant, have also changed markedly during the course of improvement and rectification.

### Statistics Show Rapid Exports, Imports Increase

HK0110011890 Beijing CHINA DAILY in English  
1 Oct 90 p 2

[Text] China has announced a rapid increase in its exports and a rebound of imports.

Liu Xiangdong, spokesman of the Ministry of Foreign Economic Relations and Trade (Mofert), said that Mofert statistics show that the country's total trade volume reached \$51.4 billion by the end of August.

China's exports were \$32.6 billion during the January-August period, an increase of 18.6 percent over the same period last year, and its imports were \$18.8 billion, according to the Mofert statistics.

The Mofert spokesman said the drop in imports over recent months, which has now bottomed out and started to rebound, was mainly caused by a decrease in domestic demands under China's economic readjustment drive and the economic sanctions adopted by some Western countries which suspended governmental credit agreements and tightened technology exports to China.

China's central bank, the People's Bank of China, has cut interest rates and decided to increase loans to support technical renovation in industrial enterprises.

Western countries have also begun to ease economic sanctions.

"These have helped push up China's imports, and this year's sharp export rise has improved the country's foreign exchange reserves and a strengthened its international payment ability," Liu said.

The spokesman said that the country is ready to increase imports in the latter half of this year, stressing that China never pursues trade protectionism.

Liu said foreign investment in China has begun recovering since May.

The spokesman said that the country's introduction of foreign investment "has walked out of the ebb" as it signed agreements to borrow \$3.6 billion from overseas sources during the January-August period, 11.3 percent more than the same period last year.

The actual amount of borrowed money China used during the period was \$4.5 billion, an increase of 18.2 percent.

Foreign investors signed 4,107 direct investment contracts with China during the first eight months this year.

The investment foreigners committed amounted to \$3.5 billion. The actual investment during the period reached \$1.8 billion.

In the first seven months of this year, China signed overseas engineering contracts worth \$1.3 billion, up 21.6 percent over the same period last year.



## Central-South Region

### Further on 'Hijacking Accident' in Guangzhou

#### One American Killed

OW0310121890 Beijing XINHUA in English  
1143 GMT 3 Oct 90

[Text] Guangzhou, October 3 (XINHUA)—One hundred and twenty-seven people died in the plane hijacking accident which occurred yesterday, according to the latest information provided by the local aviation authorities.

The victims included one American, two from Macao, four from Hong Kong and 30 from Taiwan. The rest are domestic passengers.

Flight 8301 of the Xiamen Airline Co., a Boeing 737, was hijacked on its flight from Xiamen to Guangzhou yesterday morning. When the plane tried to land at Baiyun Airport in Guangzhou at about 9:00 AM, it overshot the main runway and slammed into two other planes on the apron.

The Boeing 737 burst into flames. Of the two other planes, one with passengers aboard was destroyed while the other which was empty suffered severe damage.

#### Five Hijackers Reportedly Aboard Flight

HK0310120690 Hong Kong AFP in English 1147 GMT  
3 Oct 90

[Text] Guangzhou, China, Oct 3 (AFP)—The death toll in a plane crash here rose to 132 on Wednesday as details emerged of how a hijacker strapped with explosives struggled with the pilot for control of the aircraft before it crashed.

An official at Baiyun Airport here said 132 people died after a hijacked Boeing 737 on a domestic flight from Xiamen crashed Tuesday, exploding and careening into two parked aircraft, one of them loaded with passengers.

The state-run NEW CHINA NEWS AGENCY (NCNA) put the death toll at 127 and reported that 30 of the victims were from Taiwan, four from Hong Kong, two from Macao, and one an American woman. The other 90 were Mainland Chinese, it said.

The airport official said it was now believed that there had been five hijackers aboard the Xiamen Airline Co. flight, which according to conflicting reports was to have been diverted to either Taiwan or Hong Kong.

One of them had struggled with the pilot for the controls, he said. The hijacker apparently set off explosives as the plane landed at Guangzhou, its scheduled destination.

Airline sources said that three bodies—believed to be a hijacker, the pilot and co-pilot—were found together in the wreckage, one holding the collar of another.

According to a Hong Kong newspaper closely linked to the Chinese Government, a hijacker, aged about 30, approached a flight attendant with a bouquet of flowers during the flight.

The flight attendant thought the flowers were for the crew to mark the Chinese Moon Festival, TA KUNG PAO said without identifying its sources.

"No one had expected the man to suddenly and violently force his way through the cockpit door and open his jacket revealing explosives tied around his body," the newspaper said.

The hijacker then "ordered all crew members out of the cockpit except a pilot and announced a hijack," the report said. "The explosives on his body were estimated to weigh around seven kilograms (15 pounds)."

The airport official said 85 of the 103 people aboard the hijacked jet were killed along with 47 of the 118 on board the loaded plane, a Boeing 757 waiting to take off for Shanghai.

The pilot of the third plane, an empty Boeing 707, survived, he said, adding that the 737 narrowly missed six other parked planes as it crash-landed.

Witnesses here said the dead included the driver of a van servicing the Shanghai-bound plane. At least nine people were thrown out of the hijacked plane and survived, they added.

NCNA gave the breakdown of the victims by nationality on Wednesday after complaints from relatives that they had had to wait more than 24 hours for information.

About 150 relatives besieged investigating officials here Wednesday, gathering outside two hotel rooms where an investigation committee was dealing with local residents.

"We don't understand why no passenger list has been issued more than a day after the crash. Please try to understand our situation. We are very worried," one Guangzhou resident was seen pleading to airline officials.

A U.S. Consulate official here said he would not identify the American who died until the next of kin had been contacted. An American woman, Erin Lynne Thomas, was in good condition at a local hospital, he added.

A government source here said that even after the hijackers threatened to set off the explosives, the pilot refused to divert the aircraft, citing low fuel reserves.

But NCNA said that upon learning of the hijacking, civil aviation authorities immediately authorized the crew to land at any airport, domestic or otherwise, to ensure the safety of the airliner and passengers.

In Beijing, several foreign diplomats said an order "from a very high level" had been given to prevent the plane from reaching Taiwan, which is controlled by a rival government.

The hijacking and crash dealt a blow to a government anxious to project the image of a stable China after the suppression of last year's pro-democracy movement.

The security lapse came a day after China's 41st National Day and as the two-week Asian Games, attended by 36 countries, were under way in the capital.

Hundreds of thousands of troops and civilians have been mobilized at ports and airports to prevent any disruption of the games.

### Spokesman on Hijacking

HK0310141890 Hong Kong AFP in English 1407 GMT 2 Oct 90

[Excerpt] Beijing, Oct 3 (AFP)—The hijackers of a plane which crashed into two other aircraft in Guangzhou were "hooligans," Chinese Government spokesman Yuan Mu said here Wednesday.

Speaking at an impromptu press conference, Mr. Yuan refused to confirm the number of hijackers, their nationality, intended destination, or what had happened to them.

Neither would he give details on the explosion saying only that the damage it had caused to the plane was making the investigators' job harder.

"The crash happened because of a hijacking by hooligans. It is a tragedy.... Details of the explosion are still under investigation," he said.

He said a "special task force" had been set up Tuesday in the southern city of Guangzhou, where, according to press reports, Premier Li Peng had gone to give advice to rescue crews.

Mr. Yuan added that "after the whole investigation is completed, we will provide all the information" to journalists who have complained about the lack of official details.

In reply to a question, he said victims from Taiwan, whose nationalist government is Beijing's longstanding rival, would receive the same compensation as for other victims. "I can assure you that we don't intend to treat the Taiwanese compatriots as foreigners."

The death toll in the crash rose to 132 on Wednesday as details emerged of how a hijacker strapped with explosives struggled with the pilot for control of the aircraft before it crashed.

An official at Baiyun Airport in Guangzhou said 132 people died after a hijacked Boeing 737 on a domestic flight from Xiamen crashed Tuesday, exploding and careening into two parked aircraft, one of them loaded with passengers.

State-run television said late Wednesday that 120 people had died, although earlier the official NEW CHINA NEWS AGENCY (NCNA) put the death toll at 127 and

reported that 30 of the victims were from Taiwan, four from Hong Kong, two from Macao and one an American woman. The other 90 were Mainland Chinese, it said. [passage omitted]

### Hunan 'Gang' Suspect of Hijacking

HK0310161790 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 1525 GMT 3 Oct 90

["Chen Kaizhi Says Hunan Gang of Scoundrels Who Tried To Flee China Because of Their Involvement in a Corruption Case Are Suspected To Be Responsible for the Plane Crash"—ZHONGGUO TONGXUN SHE headline]

[Text] Guangzhou, 3 Oct (ZHONGGUO TONGXUN SHE)—Chen Kaizhi, deputy secretary general of the Guangdong provincial party committee and head of the leading group in charge of the 2 October case, said [name indistinct] Xiaofeng, a scoundrel who was involved in a corruption case which occurred in the provinces of Hunan, Fujian, and Guangdong, is suspected to be the plane hijacker who is responsible for the explosion of airplane No. 2510.

In talking about the tragedy, Chen Kaizhi said the authorities have promptly finished the preliminary investigation into the case in a day and a night. When asked about whether any firearms had been used during the hijacking, he said this has yet to be found out through further investigations. Chen Kaizhi described the hijacker as a member of the Hunan gang of scoundrels who tried to flee the country because of his involvement in a corruption case.

Chen Kaizhi revealed that the leading group under him is now carrying out a thorough investigation into all aspects of the case. Personnel have been transferred from organizations concerned to assist in rescuing the victims; and the clearing up of the airplane crash scene is transpiring in an orderly way.

### Teams Set Up To Probe Hijacking

HK0410030190 Hong Kong SOUTH CHINA MORNING POST in English 4 Oct 90 p 5

[By Willy Wo-Lap Lam]

[Text] The Prime Minister, Mr Li Peng, returned to the capital early yesterday morning after making an inspection of the air crash site and giving personal instructions to military and security officials from Guangdong and Fujian on how to investigate the worst law-and-order incident in a decade.

Officially, the Chinese authorities have set up two special committees to carry out further investigations.

One is the Leading Group on Handling the Aftermath of the 102 [2 Oct] Incident set up by the Guangdong Provincial Government.

Its main job is to look after relatives of the injured and the dead, including the dispensation of compensation. However, cadres attached to the group will also delve into the circumstances of the hijacking by extensively interviewing survivors of the crash and their friends and relatives.

The other body is the investigation task force headed by Mr Hu Yizhou, Director of the Civil Aviation Administration of China (CAAC).

The CAAC team will report on the technical circumstances surrounding the hijacking, why the ill-fated Boeing 737 ploughed into two other aircraft on the tarmac of Baiyun airport, and the weak links in security at Xiamen airport.

Chinese sources said, however, that the bulk of the investigation work would be handled by the Ministry of Public Security, or the national policy.

Assisting the police will be members of the crack anti-terrorist unit of the People's Armed Police as well as intelligence units attached to the People's Liberation Army.

A source said: "A key task of the police would be to check whether the hijacker had left letters or other messages to friends and relatives before his desperate bid to leave the country."

In a few recent incidents of hijacking and attempts by People's Liberation Army personnel to flee to Taiwan, the "criminals" all left behind tell-tale signals, including "farewell letters" to relatives.

Security sources said it was unlikely the hijacker had timed the attempt to disrupt the Asian Games.

A Western security analyst said: "Even though the authorities have imposed an airtight security on Beijing and barred out-of-town residents from going to the capital, would-be terrorists would still have the means to penetrate the area.

"The hijackers would have perpetrated their crime in the capital if they had wanted to wreck the Games."

Chinese sources said the entire investigation work would likely be overseen by a senior cadre with the rank of at least a State Councillor.

#### **Airport Security Measures Tightened**

HK0410042190 Hong Kong HONGKONG STANDARD  
in English 4 Oct 90 p 6

[Text] Guangzhou authorities have stepped up security measures at Baiyun airport while officials are investigating whether the Xiamen airport should be blamed for any negligence in security.

After Baiyun airport resumed normal operations yesterday, security measures were strengthened including security checks of passengers and more police patrols.

Officials are also probing why the hijacker, said to be carrying explosives, was able to pass through security checks at Xiamen and board the plane.

It is understood that Chinese authorities are particularly concerned about the security problems at Xiamen which have been a target for hijackers intending to go to Taiwan.

The Xiamen airport's ability to prevent hijackers from carrying weapons on planes has again drawn criticism after a similar incident more than two years ago.

In May 1988, concern over the airport's security was raised after two men, armed with a gun and hand grenades, hijacked a Chinese passenger plane carrying 118 people and forced it to land at a military air base on Taiwan.

Xiamen airport officials contacted yesterday refused to discuss any security problems at the airport.

A short commentary in the pro-Beijing WEN WEI PAO criticised the Xiamen airport for its failure to learn from past mistakes.

The paper condemned the outrageous acts of the hijacker who could have killed up to 132 people and disrupted air passenger traffic. The incident this week, however, further exposed the weakness of the airport's security measures, the commentary said.

"It showed that the Xiamen airport had not learnt from mistakes two years ago," the report said.

"It is time for the airport to do something to plug the loophole."

After the hijacking two years ago, a Guangdong aviation official, Mr He Keyin, promised China's aviation authorities would consider strengthening security measures in airports which would include checks on air ticket buyers and security searches at airports.

Mr He said security checks would be stepped up on buyers' certificates that have to be produced to prevent forgery.

It is not known whether those measures were implemented after the 1988 hijack.

#### **Guangdong's Secretary Lin Ruo Speaks at Rally**

HK0310140590 Guangzhou Guangdong Provincial  
Service in Mandarin 0400 GMT 28 Sep 90

[Text] The second Guangdong provincial rally of advanced representatives in supporting the Army, giving preferential treatment to families of soldiers, supporting the government, and loving the people closed in the provincial government auditorium yesterday afternoon.

In the past three days, representatives from the Army and nonmilitary establishments were happily together, summarizing and sharing experiences, commending



models and advanced units, and discussing vital issues concerning the unity of the Army with the government and the people. The rally was, from beginning to end, permeated with a warm atmosphere of learning from each other and talking about friendship between soldiers and the people.

Zhang Zhongxian, political commissar of Guangzhou Military Region, addressed the closing session. He said: As Guangdong borders on Hong Kong and Macao, it has a heavier responsibility to fight corruption and infiltration than other regions, which makes strengthening the unity of the Army with the government and the people all the more important. He called on the broad ranks of officers and men to be strict with themselves, strengthen their self-improvement, and establish a fine image of the people's own army.

In his speech, provincial party Secretary Lin Ruo stressed: In the work of supporting the Army and giving preferential treatment to families of soldiers in the future, attention should be devoted to education on national defense, patriotism, and supporting the Army, for the people province-wide. It is necessary to reinforce the awareness of national defense of the whole people, effectively implement various preferential and compensatory policies, and make strenuous efforts to socialize the work of supporting the Army and giving preferential treatment to the families of soldiers.

### Hainan Establishes Anticorruption Bureau

HK0310125790 Haikou Hainan Provincial Service  
in Mandarin 2300 GMT 28 Sep 90

[Excerpt] An anticorruption and antibribery bureau under the provincial People's Procuratorate was officially established on 28 September. This is a provincial organization specially for the punishment and prevention of serious economic crimes such as corruption and bribery.

At a news briefing on the afternoon of 28 September, Deputy Procurator Wang Jinfang gave an account of the background of establishing the anticorruption and antibribery bureau. The provincial party committee secretary, Deng Hongxun, addressed the news briefing. He pointed out: Corruption and bribery have severely marred the image of the party and government, which has had the most adverse influence on the people and is one of the phenomena which are bitterly hated by the masses. If we are apathetic and turn a blind eye to the issue, then our reform and opening up and economic construction in the special economic zone will be in danger of being buried. He hoped the anticorruption and antibribery bureau would really be an authoritarian and highly efficient anticorruption organization of our province, which can fully reflect the will and aspiration of eliminating corruption according to law and make contributions in punishing corruption and promoting the building of an honest and clean government for the party and state.

Wei Zefang, a member of the provincial party committee Standing Committee; and Cao Wenhua, vice chairman of the provincial People's Congress; put up a shingle for the bureau. [passage omitted]

### Sixth Hunan CPC Congress Planned for 8 Oct

HK0310141790 Changsha Hunan Provincial Service  
in Mandarin 2300 GMT 28 Sep 90

[Text] The 11th Plenary Session of the Fifth Hunan Provincial CPC Committee, which closed on 28 September, adopted a resolution on some matters related to the convocation of the sixth provincial party congress. It was decided that the congress will be held on 8 October.

The session approved in principle a work report to be delivered by the Fifth Hunan Provincial CPC Committee to the coming sixth provincial party congress.

Provincial party committee Secretary Xiong Qingquan made an important speech at the closing ceremony of the plenary session. He pointed out: Under the correct leadership of the party Central Committee, over the past five years the Fifth Hunan Provincial CPC Committee, adhering to the principle of democratic centralism, relying on the strength of party members and people of the whole province and giving full play to the role of collective leadership, resolutely implemented the party's basic line, overcame obstruction from bourgeois liberalization, opposed and checked unrest and maintained the stability of Hunan's overall situation. In addition, it also conquered serious natural disasters and surmounted numerous difficulties in economic life. As a result, the province's GNP increased at an annual average rate of 8.6 percent, and the total output value of the province's industrial and agricultural production rose by an annual average of 10.3 percent. The goal of doubling the province's GNP was realized in 1989 ahead of schedule. Now both the province's GNP and national income rank 10th in the nation, whereas they ranked 12th five years ago. Apart from this, the province also achieved new successes in many other areas of work such as the building of spiritual civilization, the development of democracy and legality, and party building.

Comrade Xiong Qingquan noted: We owe these achievements to the correct leadership of the party Central Committee and the common effort of the province's party members and the people of all nationalities. At the same time, they are also credited to hard study and hard work of comrades of the leadership collective, including comrades of the provincial Advisory Committee and the provincial Discipline Inspection Committee.

Comrade Xiong Qingquan emphatically pointed out in his speech: There will still be about half a month left from the plenary session to the sixth provincial party congress. During this period, the provincial party committee and local party committees at different levels should on the one hand actively prepare public opinion for the coming party congress, plunge into energetic

preparations in other fields of the party congress, concentrate all efforts on the congress, and make the big event of the province's political life a success. On the other, we should adopt effective measures to do the present work well, and especially pay adequate and high attention to economic work. First, local authorities should seriously organize the work of coping with natural disasters and helping the people tide over natural disasters, make proper arrangements for production and the people's lives, extend the area of winter sowing, and do a good job in construction of water conservancy works in the coming winter to strive to reduce losses incurred by the natural disasters to a minimum. Second, it is necessary to dedicate to the general war of reinvigorating industry in compliance with the guidelines of the meeting of secretaries of prefectural, autonomous prefectural, and city party committees, administrative commissioners, and mayors. In November, we should change the passive situation in industrial production and strive to chiefly fulfill this year's production plans. Third, continuous efforts must be made to severely punish criminals, sweep away pornography and eliminate the six vices, keep public security and make social order stable to maintain a favorable social environment for National Day, the Asian Games, and the sixth Hunan provincial party congress and produce excellent results to greet the convening of the sixth Hunan provincial party congress.

Seated on the rostrum were the deputy secretaries of the provincial party committee, Liu Fusheng, Chen Bangzhu, Sun Wensheng and Yang Zhengwu; and the members of the provincial party committee Standing Committee, Dong Zhiwen, Jiang Jinliu, Xia Zhanzhong, Sun Ruiting, (Li Jianguo), and Yang Minzhi.

### Northwest Region

#### Xinjiang Commentary Attacks Separatism

HK0310153690 Urumqi Xinjiang Regional Service  
in Mandarin 1230 GMT 3 Oct 90

[Commentary by Xinjiang Broadcast Station and Xinjiang Television Station: "Opposition to National Separatism Is a Serious Political Struggle"]

[Text] The nature of our struggle against national separatism is a question that we must clarify while studying and implementing the guideline laid down by the 15th enlarged plenary session of the third Xinjiang regional party committee.

Some of our comrades have confused ideas about the struggle against national separatism. They have said: The struggle against national separatism is not a kind of class struggle but a struggle directed at a certain nationality—instead, this is an issue concerning nationalities or religions. They believe that in opposing national separatism one is making a fuss over a trifling matter. There is a very erroneous and pernicious view which does not conform with reality.

Generally speaking, when referring to the issue concerning nationalities, we mean to gradually solve such historical issues as the gap between different nationalities in economic and cultural development; and also the problems which we may face in our efforts to strive for common development, prosperity, and progress and to meet the special needs of different nationalities. However, those national separatists do not view the question in this way. Under the camouflage of nationality issues, they have tried in vain to oppose the party and socialism, to disrupt national unity, and to restore capitalism.

Past examples are just too numerous to mention individually. Let us cite the recent case of the Baren Township counterrevolutionary armed rebellion. During this event in Baren Township, a handful of counterrevolutionary rioters openly shouted: You paupers have been holding power for 40 years. Now it is our turn to wield power! A rioter, with a murderous look on his face, cried out: My grandfather was imprisoned by the Communists for eight years. Now I come to revenge my grandfather. Was this not naked evidence of their wild ambition to overthrow the CPC and to subvert the socialist system? Were they not trying to stage a comeback and attack the broad masses of people of all nationalities who are the masters of the country? This is no longer a pure issue concerning nationalities but absolutely a serious class struggle.

In order to fulfill their evil purpose of overthrowing the CPC's leadership and subverting the people's regime, they have established counterrevolutionary organizations and engineered counterrevolutionary conspiratorial activities. They have also gone so far as to stage a counterrevolutionary armed rebellion and to murder our officers and fighters of the armed police forces. Can these deeds be simply regarded as nationality issues?

Our struggle against national separatism is by no means a religious issue either. The PRC Constitution and the party's policy toward nationalities have created a fine environment for religious believers of all nationalities and have provided them with effective legal protection. Within the extent of the Constitution and laws, the religious believers' freedom of faith is fully respected. Under the camouflage of religion, however, a handful of national separatists have engaged in counterrevolutionary activities, disrupting the enforcement of state laws and government ordinances. Can this still be regarded as a religious issue? Even the vast number of patriotic religious personages resolutely oppose these separatists' deeds.

Mao Zedong taught us: When we look at a thing, we must examine its essence and treat its appearance merely as an usher at the threshold. Once we cross the threshold, we must grasp the essence of the thing. This is the only reliable and scientific method of analysis. A host of facts have shown that separatists at home and abroad are a major threat against Xinjiang and the handful of separatists are the enemy of the people of all nationalities in this region. Our struggle against national separatists is

not directed at any single nationality. It is by no means either a nationality issue or a religious one but a struggle between those who safeguard national unity and those who try to disrupt the motherland; safeguard nationality solidarity and those who undermine it; uphold the socialist road and those who repudiate it; hold to the party's leadership and those who negate it; and, in brief, a serious political struggle. The people of all nationalities are the main force to oppose national separatism. Observing the case in this way, we will be able to grasp the essence. Only when we view the issue in this way will we be able to see the important significance of the struggle against national separatism. Let us close ranks, unify our thinking, seek a common understanding, and wage the struggle against national separatism through to the end!

### **Xinjiang Leaders Attend National Day Ceremony**

OW0210191790 Urumqi Xinjiang Television Service  
in Mandarin 1400 GMT 1 Oct 90

[From the "Xinjiang News" program]

[Excerpt] [Video shows shots of Song Hanliang and other regional leaders standing in attention while the national flag is being raised at the square] It is a clear and beautiful autumn day today in Urumqi, the capital of the autonomous region.

In the morning, 10,000 youngsters of various nationalities congregated at the People's Square to attend a solemn flag raising ceremony in celebration of the 41st anniversary of the founding of the PRC, the 35th anniversary of the establishment of the autonomous region, and the triumphant convocation of the 11th Asian Games.

Leaders of the autonomous region, the Xinjiang Military District, and Urumqi City, including Song Hanliang, Tomur Dawamat, Janabil, Li Shousan, Zhang Sixue, Ba Dai, Tang Guangcai, Gao Huanchang, and Wu Runsheng, attended the flag-raising ceremony. [passage omitted]

### **Song Hanliang Speech at Party Session**

OW0310224090 Urumqi XINJIANG RIBAO in Chinese  
28 Jul 90 pp 1-3

["Excerpts" of speech by Song Hanliang, secretary of the Xinjiang Uygur Autonomous Regional CPC Committee, at the 15th enlarged plenary session of the third regional party committee on 16 July 1990: "Continue To Implement in Depth the Guidelines Laid Down by the Sixth Plenary Session of the 13th CPC Central Committee, Do a Better Job in Maintaining Stability, and Strive To Fulfill Various Tasks for This Year"]

[Text] Comrades:

The main tasks of this (enlarged) plenary session of the regional party committee are to continue to implement in depth the guidelines laid down by the sixth plenary

session of the party's 13th Central Committee, to sum up our work in the first half of the year, and to make arrangements for our tasks in the second half of the year. The emphasis of this session is on examining the regional party committee's views on implementing the "Decision of the CPC Central Committee on Strengthening Ties Between the Party and the People." We should further strengthen party building and maintain flesh-and-blood ties with the masses. We should sum up our experiences and lessons in quelling the counterrevolutionary armed rebellion in Baren Township and do a better job in maintaining stability. We should continue to implement the policies of improving the economic environment, rectifying the economic order, and deepening reforms, striving to do our economic work well this year.

After the sixth plenary session of the party's 13th Central Committee, the regional party committee called a meeting of its Standing Committee in March at which the documents of the plenary session were conveyed in their entirety. That meeting also conscientiously discussed how to convey and implement guidelines. Later, these guidelines were fully conveyed to leading cadres at the provincial level and cadres at and above the bureau or department level in the region. At the end of March, a regional meeting was held to convey the guidelines of the sixth plenary session of the party's 13th Central Committee to responsible comrades in various departments, and preliminary views on implementation of these guidelines in the region were put forward. The regional party committee originally planned to convene its 15th (enlarged) plenary session in mid-April for the purpose of implementing in depth the guidelines laid by the sixth plenary session of the party's 13th Central Committee. However, because a counterrevolutionary armed rebellion occurred in Baren Township, the regional party committee and party committees at various levels in the region had to concentrate their energies on quelling the rebellion and stabilizing the situation. This is why this plenary session has been postponed to now. In accordance with the major items on the agenda of the session, I, on behalf of the regional party committee, now submit, for your examination, a report summing up our work in the first half of the year and setting out the main tasks for the second half of the year.

### **I. Work in the First Half of the Year**

In accordance with the party Central Committee's general requirements for party work in 1990, the regional party committee paid particular attention to carrying out three tasks in the first half of the year: 1. We made conscientious efforts to convey and implement guidelines laid down by the sixth plenary session of the party's 13th Central Committee, to further strengthen party building, and to maintain flesh-and-blood ties with the masses. 2. We vigorously implemented the principle of stability overriding everything else, concentrated our energies on stabilizing the situation, and strove to maintain political and social stability in the region. 3. We continued to implement the policies of improving the economic environment, rectifying the economic order,



and deepening reforms, and striving to do economic work well. Through the efforts of people in various quarters, fairly good results were achieved in carrying out the three tasks. Certain achievements were also made in other fields of work. The overall political and economic situation in the autonomous region is good.

**(1) Conscientiously Convey, Study, and Implement Guidelines Laid Down by the Sixth Plenary Session of the Party's 13th Central Committee**

Since the sixth plenary session of the party's 13th Central Committee, the regional party committee and party committees at various levels in the region have persistently conveyed, studied, and implemented guidelines laid down by the sixth plenary session of the party 13th Central Committee and worked to maintain stability while simultaneously doing economic work. They have made efforts to implement these guidelines in basic units and in all fields of work. In conveying, studying, and implementing these guidelines, we have done our work in three aspects.

First, we earnestly organized the propagation and study of the guidelines of the Sixth Plenary Session of the 13th CPC Central Committee. Under the principle of doing the job among party members and leaders first and the masses second, we gradually disseminated the guidelines among the vast number of cadres and party members, beginning with those at the upper levels. Efforts were made to propagate, study, discuss, and implement the guidelines simultaneously. Because of the propagation and study, we have helped the vast number of cadres and party members better understand that stronger party ties with the masses are essential for building a stronger party.

Second, in the spirit of improving party conduct, the regional party committee implemented the guidelines set forth by the Sixth Plenary Session of the 13th CPC Central Committee. In the light of those guidelines, all party organizations worked to understand where they were lagging behind and drew up measures for improvement. On the basis of conducting investigation and study and extensively soliciting views, the regional party committee drafted measures for implementing the "Decision of the CPC Central Committee on Strengthening Ties Between the Party and the People." Since then, party organizations at all levels have accomplished a great deal in caring for the people's well-being, improving work methods, and providing good and useful services to the masses. Meanwhile, they have also made new headway in censuring corruption and promoting administrative honesty.

Third, party and government cadres were organized for work in grass-roots units. Implementing the Central Committee's instructions on cadres working in grass-roots units and the guidelines of the Sixth Plenary Session of the 13th CPC Central Committee, party organizations at all levels in Xinjiang worked earnestly

in sending cadres to work in grass-roots units by mobilizing incumbent cadres and forming them into groups to work in rural areas and industrial and mining enterprises, and by encouraging agricultural scientists and technicians to undertake technical contracts at the grass roots. To date, township and higher-level party and government organs and institutions have dispatched 2,501 groups or units, composed of more than 29,000 cadres, to render assistance in 2,873 rural units and enterprises. This is something that has not been done for many years. Leading comrades of the regional party committee and government and party and administrative leaders in all prefectures, cities, departments, and bureaus have taken the lead in going down to the grass roots. Under the centralized leadership of local party and government leaders, the cadres sent to grass-roots units earnestly conducted investigation and study, actively propagated party policies, and assisted party and government departments there to promote stability and do other work, such as helping the authorities, peasants, herdsmen, and workers in grass-roots units solve their production and living problems. Since they maintained close ties with the masses, made friends with workers and peasants, shared weal and woe with them, shouldered cadres' burdens, and made genuine efforts to help grass-roots units deal with their problems and provided good and useful services to the masses, they enjoyed great popularity in the grass roots. After being tempered at the grass roots, many cadres, especially the younger ones, have come to understand their actual situation and the plight of the masses there; they have thus become more attached to the masses, their work style has become even more down to earth, and they have become even more capable of analyzing and handling practical problems.

**(2) Firmly Implement the Central Committee's Principle That Stability Overrides Everything; Concentrate Efforts on Promoting Stability**

Over a six-month period, leaders in Xinjiang and those of all regions and departments have been concentrating on promoting stability, and party and social departments in both Xinjiang, upper and lower alike, have been working hard to achieve this objective. On the whole, the current situation in Xinjiang is stable.

In accordance with instructions from the central department, the regional party committee has, since late last year, sponsored many brief meetings for party committee secretaries and Standing Committee members to analyze the situation, coordinate their views, and draw up measures to deal with problems. We have clearly stated that stability is the focus of our work in 1990 and that all projects must be subordinated to stability and must facilitate stability. We have also demanded that all party organizations understand in no uncertain terms that stability overrides everything and that stability has top priority in all projects. Leading comrades at all levels, especially principal leading comrades, must concentrate on promoting stability and do their jobs responsibly.



In order to promote stability in the grass roots, the regional party committee and government leading comrades have divided up the work with individual responsibility and assigned parts to each individual or group. They have been in rural and pastoral areas, industrial and mining enterprises, universities and institutes in southern and northern Xinjiang, and the Urumqi area conducting investigations and studies, relaying and implementing guidelines laid down by the party Central Committee and the autonomous regional party committee for promoting stability, and analyzing the situation while studying ways to promote stability together with local cadres. Party committees and governments at all levels have resolutely implemented the plan drawn up by the party Central Committee and the autonomous regional party committee by establishing a leading group and a work organ headed by the principal leader of the region. This leading group and work organ have worked out and implemented plans and measures to promote stability at each level by integrating the realities of each area and department.

Over the past six months, we have always regarded the promotion of stability as work entailing the removal of hidden perils. We have persisted in removing hidden perils by sparing no efforts to nip all kinds of hidden perils in the bud. We have paid particularly great attention to eliminating unstable factors in religions by taking the initiative to resolutely deal with sabotage by one or two county-level national splittist elements, carried out under the cloak of religion, thus acquiring the experience of nipping hidden perils in the bud. In addition, we have also paid attention to solving various questions involving the masses' personal interests and problems that the people strongly want solved.

National unity is the key to maintaining stability in Xinjiang. Since the beginning of this year, party organizations at all levels have given greater attention to promoting national unity. In promoting national unity, departments concerned in all localities have seriously followed and carried out the 10-point demand on heightening national unity to a new level, set by Comrade Wang Enmao. Urumqi County, Fuhai, Hutubi and Turpan Cities, Toksun, Hejing, Yanqi and other counties and cities and 29th regiment of the Second Land Reclamation Division have been named advanced units of national unity and model units of Army-people unity one after another by prefectures, cities, and the division where these units are located. Departments concerned in all places have also integrated with realities, witnessed the successful implementation of party policy on nationalities, summed up the experience of establishing national unity with advanced and model units, strengthened the promotion of national unity, and created a fine social environment for maintaining stability.

Just as all members of the region were devoting themselves to promoting stability, a counterrevolutionary armed rebellion broke out in Baren Township on 5 April. This was a serious challenge by national splittist elements to our efforts in promoting stability. Under the

kind attention of the party Central Committee, the State Council, and the Central Military Commission and under the leadership of the Xinjiang Autonomous Regional Party Committee and regional people's government, armed police officers and men, public security cadres and policemen, and land reclamation fighters united and fought shoulder to shoulder with cadres and masses of all nationalities and a vast number of militiamen in Kizilsu Kirguz Autonomous Prefecture and Kashi City, adopted firm and resolute measures, and rapidly quelled this rebellion. After winning a decisive victory in quelling the rebellion, we followed up our victory in hot pursuit, exploited the victory, organized a Baren Township work group and judicial personnel to fully mobilize the masses to report and expose rebels' crimes, and ferreted out hidden enemies. As a result, we arrested all counterrevolutionary elements and members of counterrevolutionary organizations that took part in the rebellion, seized large quantities of munitions, lethal weapons, and other equipment, and basically discovered how the rebellion had started and developed. On this basis we rebuilt the Baren Township party organization and grass-roots political organizations, purified the ranks of party members and cadres, and restored the order of normal everyday life and work. After the rebellion, all departments in all areas seriously summed up the experience of quelling the counterrevolutionary armed rebellion in Baren Township, drew a lesson from it, and further strengthened the promotion of stability in each area and each department. Party committees and governments at all levels, using the lesson of the counterrevolutionary armed rebellion in Baren Township as a negative example, mobilized in a widespread and deep-going way cadres and masses of all nationalities to denounce, expose, and criticize national splittist elements' counterrevolutionary crimes, so that people of all nationalities could clearly see their reactionary essence and heighten their own political consciousness. In addition, we adopted all measures to strengthen the struggle against enemies, resolutely removed hidden perils, and nipped the seedling of turmoil and rebellion in the bud. In light of the lesson of Baren Township, all prefectures and counties strengthened the building of rural grass-roots party and political power organizations, rural ideological and cultural work, and management over religious affairs. Stability is shaping up in the grass roots.

The counterrevolutionary armed rebellion in Baren Township was conceived in an organized, premeditated, and planned way by national splittist elements and hostile forces abroad after speeding up their infiltration and by a handful of national splittist elements under the cloak of religion at home. The essence of this counterrevolutionary armed rebellion was opposition to the Communist Party's leadership and socialism, and subversion of the people's regime in a vain attempt to split the motherland's unity. This was a soul-stirring class struggle, which exposed the enemies and educated the masses. It further proved that national splittism was Xinjiang's principal peril. National splittist elements have never stopped and will never stop their splittist and

sabotage activities because of their reactionary nature, which is alien to the people's will. This struggle also showed that we were capable of keeping the situation under control. Xinjiang's stability is based on the masses and can withstand all kinds of storms. No enemies can ever succeed in their counterrevolutionary schemes.

**(3) Seriously Implement the Policy of Improving the Political Environment, Straightening Out the Economic Order, and Carrying Out In-Depth Reform, Striving To Do Economic Work Well**

Since the beginning of this year, party committees and governments at all levels in Xinjiang have seriously implemented the policy of improving the political environment, straightening out the economic order, and carrying out in-depth reform, and have firmly grasped economic work, thus letting economic stability promote political and social stability in Xinjiang. To solve the problem of a weak market, overstocking of products, decreases in production, and other questions which appeared in Xinjiang during the first quarter, the regional party committee, the regional people's government, and departments concerned seriously studied countermeasures, worked out 14 measures which could solve the questions, did their work on the spot, and saw to it that countermeasures were implemented. All prefectures, cities, and production and construction corps also adopted corresponding countermeasures. On the whole, Xinjiang's economic situation is continuously developing in a good direction.

Trends of agricultural development are better. Since last winter and spring, Xinjiang has whipped up a high tide of farmland water conservation capital construction to an extent not seen in many years. Agricultural input has been increased everywhere. The whole region has launched mammoth institutional contract activities to support agriculture, implemented bumper harvest plans, and taken the road of developing agriculture with science and technology. A bumper harvest of summer grain is just around the corner; it is estimated that this year's total summer grain output will increase by a big margin. It is a foregone conclusion that we will also have a bumper harvest in animal husbandry. If there is no big natural disaster during the rest of the year, we will enjoy bumper harvests in agriculture and livestock breeding for 13 consecutive years. The mix of industrial products had been readjusted further. Industrial production began to pick up in April, and rose 9.8 percent in June as compared with May. The industrial growth rate in the first half of this year was about the same as in the corresponding period of last year. Some readjustment was made in the investment structure. Some increase was scored in revenues as compared with last year's corresponding period. The financial situation basically was stable with some relaxation in the capital fund shortage. Market supply was ample and commodity prices were stable with some decreases. In the first half of this year, the increase in retail commodity prices in Xinjiang was 4.5 percent, which was much lower than

the 21.3 percent increase in the first half of last year. The people's standard of living was improved further.

In the first half of this year, the broad masses of cadres, workers, peasants, and herdsmen on all fronts and in all professions and trades, and state farm workers and staff members in Xinjiang worked hard and made great contributions to implementing seriously the guidelines of the Sixth Plenary Session of the 13th CPC Central Committee, achieving good results in agriculture and animal husbandry for the 13th year, ensuring political and economic stability in Xinjiang and making new achievements in all work.

However, while we see the good aspects of the situation and the achievements, we should also see the grim aspects of the situation and the problems in our work. First, we should make a sober appraisal of the situation. Western countries will not change their peaceful evolution strategy. Reactionaries and national splittists who have fled abroad have not stopped their sabotage, nor are national splittists in Xinjiang reconciled to their defeat. The struggle between those who split and those who oppose such a split remains serious. At all times we must keep a high degree of vigilance and must not lower our guard against the splittists. Next, some problems still exist in our work. Of course, the counterrevolutionary armed rebellion at Baren Township had something to do with the political climate both at home and abroad. However, in reexamining ourselves, we found that the biggest problem was our insufficient understanding of the seriousness of national splittism. For many years, many problems have existed in building primary party organizations, grass-roots administration, and ideological and cultural positions in rural areas, in comprehensively implementing the party's religion policy, and in managing religious activities and religious gathering places. Ideological negligence and bureaucracy finally caused extremely serious consequences. The lesson was very profound. In addition, some negative factors and corruption still exist in our party, and some unhealthy tendencies still exist in society. The people are not yet satisfied with our efforts to build an honest and clean government or with our anti-corruption struggle. Some deep-rooted ideological problems still exist among our cadres and masses. Our economic problems are also very conspicuous, with our industrial growth rate below the nation's average. These difficulties and problems merit our great attention. We should seriously overcome them in our work in the second half of this year.

**II. Thoroughly Implement the "Decision" of the Sixth Plenary Session of the 13th CPC Central Committee, Take a Further Step To Form Closer Ties Between the Party and the People**

The "Decision" of the CPC Central Committee on Strengthening the Ties Between the Party and the People" is an important Marxist document. To implement the "decision" seriously and well is of great immediate importance and far-reaching historical significance to restoring further and carrying forward the party's fine

traditions and work style, bringing closer the flesh-and-blood relations between the party and the people, maintaining the party's character of being the vanguard of the working class, and bringing into play the party's role as the leading core in reform and opening to the outside world and in socialist modernization.

Generally speaking, the relations between the party and the people in Xinjiang are good. Particularly since the Third Plenary Session of the 11th CPC Central Committee, party organizations at various levels and the vast number of party members seriously have implemented the party's line, principles, and policies, conscientiously carried out "the Law on Regional Autonomy for Minority Nationalities" and the party's policies towards minority nationalities, taken economic construction as the central task, upheld the four cardinal principles, and persisted in reform and opening to the outside world. They have led the people of various nationalities in overcoming poverty and in becoming well-to-do, made great progress in economic development, constantly enhanced the economic strength of Xinjiang, benefited the people and gradually improved their living standards, and won the support and trust of people of various nationalities. Most of the party organizations in Xinjiang have fighting power. The majority of party members are sound and have withstood the tests of various struggles. Since the Fourth Plenary Session of the 13th CPC Central Committee, party committees and governments at various levels have paid attention to doing practical things seriously for the people and winning the people's trust. In particular, they have made great efforts to combat corruption and promote ethical integrity. They have investigated and handled a number of embezzlement, bribe-taking, and speculation cases, punished a number of criminals, saved through education a number of law and discipline violators, prevented a large amount of economic loss to the state, and promoted the improvement of party style and the standards of social conduct. This is the main trend of party-people relations in Xinjiang.

However, we also should see that many problems still exist in party-people relations, and some of them are very serious. For a period of time, some party organizations and a small number of party members have violated the purpose of serving the people wholeheartedly, abandoned the party's glorious tradition of maintaining flesh-and-blood relations with people of various nationalities, and wavered in lofty communist ideals, which party members should work hard to realize. They have given rise to bureaucracy, individualism, the mistake of taking advantage of one's power to seek private gain, and other negative and corrupt practices. Thus, they have seriously divorced themselves from the masses. A number of leading departments and cadres failed to go deep into the realities of life to conduct investigation and study, and their decisionmaking process was not democratic or scientific. This has caused major political and economic losses. Some leading cadres used their positions and power to seek gains for themselves, their

children, or their relatives and friends to the detriment of the interests of the masses. A few people in some departments and trades and industries used their power to play the tyrant, extorting money, embezzling funds, accepting bribes, and leading a degenerate and dissolute life. A few grass-roots party organizations and political apparatus have been in a paralyzed or semiparalyzed state, acting in a weak and feeble manner. Some party cadres became devoted religious believers, taking part in religious activities and promoting religious causes. Some party cadres lost their stand at the critical moment in the struggle against the enemy. They chose the criminal road of opposing the party and the people by taking an ambiguous attitude and deserting at the critical juncture, or even supporting and taking part in the counterrevolutionary rebellion. Although these things happened only in a few departments and among a few cadres, their influence was very bad. They have badly damaged the party's image, hurt its reputation, weakened its unity and fighting power, and seriously undermined the flesh-and-blood relationship between the party and the masses of people.

The plenary session will examine the "Views of the Regional Party Committee on Implementing the 'Decision of the CPC Central Committee on Strengthening the Ties Between the Party and the People.'" The "Views" was sent to various localities and departments to solicit comments after it was first drafted. The one submitted to the plenary session for examination is a revised draft. After it is approved, the "Views" will be sent to all localities and departments for enforcement. The goal is to fulfill the requirements made by the party Central Committee on achieving remarkable success in cementing ties between the party and the masses by tackling one by one and in a down-to-earth manner prominent issues affecting the ties between the party and the masses.

The "Decision of the CPC Central Committee on Strengthening the Ties Between the Party and the People" contains rich substance and spells out specific tasks and measures. We must seize the main points and seriously carry out the decisions. In the second half of this year, we must concentrate on the following five areas:

First, we must take further steps to study the guidelines of the Sixth Plenary Session of the 13th CPC Central Committee and increase our understanding of the importance of strengthening party building and forging closer ties with the masses. Using the study in the previous period as the foundation, party committees at all levels should seek to study and understand the essence of the "Decision" adopted at the sixth plenary session. We must earnestly study the important instructions given by Comrades Deng Xiaoping and Jiang Zemin on strengthening party building. We must fully understand the importance and urgency of strengthening party building in the new situation and successfully carry out party building and raise its fighting power and unity



with a great sense of responsibility toward the revolution. The masses of people are the fountain of our strength and the foundation of our victory, and maintaining and developing a flesh-and-blood relationship between the party and the people is vital to the survival and prosperity of the party and the state. We must understand from this perspective the importance of strengthening the ties between the party and the people and realize the danger of divorcing ourselves from them.

We must carry out in a deepgoing way reeducation in the party's mass line among all party members. How to treat the masses is fundamentally a question of stand, world outlook, and party spirit. Party organizations at all levels must carry out reeducation in the Marxist mass viewpoint and the party's mass line among party members and cadres in order to strengthen their mass viewpoint and to ensure that they consciously uphold the mass line in their work, that they have strong faith in the great majority of the masses and rely on them, and that they work to unite with and guide the masses to accomplish their tasks. The Marxist mass viewpoint and the party's mass line shall become a major element in the study of leading cadres at the prefectural, autonomous prefectural, city, and county levels, in the education of party members, and in cadre training. Party schools at all levels shall set up special courses in this area. In their democratic meetings, leading bodies at all levels shall review the implementation of the "Decisions" of the party Central Committee and the "Views" of the regional party committee. Propaganda departments and the media shall also step up propaganda and education in the mass viewpoint and the mass line.

Second, we must earnestly carry out the work of building clean governments and combating corruption. Party committees at all level must unrelentlessly carry out the building of clean governments by seriously implementing established rules and regulations to win the people's trust. Efforts must be made to continue the investigation of major cases. At present, closer attention should be paid to the revival of feasting, gift-giving, and other unhealthy practices, which have been eliminated or curbed. Efforts must be made to firmly stop the unhealthy practice of cadres occupying more housing space than is necessary and building private housing in violation of discipline, to resolutely stop collecting fees, apportioning expenses, and fining people in an indiscriminate way. Serious efforts must be made to correct unhealthy practices in trades and industries. Effective measures should also be adopted to overcome bureaucratism and individualism, particularly the practice of using power for personal gains. In accordance with the "Decision," a system should be established to evaluate the performance of leading cadres in developing close ties with the masses. The system should seek to commend those cadres who forged close ties with the masses, worked honestly and cleanly, and produced outstanding performance and to remove and punish those who divorced themselves from the masses in a serious way and who caused losses to the party and the people. The

goal is to restore and develop the flesh-and-blood relationship between the party and the people.

Third, we must continue to do a good job of sending cadres to the grass roots and into the midst of the masses. We must uphold the principle of seeking truth from facts, pay attention to practical results, and give full consideration to the needs of both the higher and lower levels in carrying out this work. We must conduct the work with a clear purpose in mind and in a guided, well-planned way. We must guard against formalism and superficial work style. While in the grass roots, party and government cadres should: 1) Publicize the party's principles and policies and carry out ideological-political work to mobilize the initiatives of the masses; 2) help party organizations and political apparatus at the grass-roots level carry out their work, discuss with the grass-roots cadres how to remove poverty and bring about prosperity, and promote the building of material and spirit civilization; and 3) conduct investigation and study, report problems existing at the grass-roots level and the people's wishes and demands to the leading organs and help broaden the channel of communications between the party and the masses. Leading cadres must go to the most difficult places and to places where the people have a lot of complaints. Cadres going down to the grass roots must share the joys and sorrows with the masses, identify themselves with them, and help them resolve their problems. While sending cadres to the grass roots by stages and in groups, leading organs should take serious steps to improve themselves so that they can serve the grass roots, the production front, and the masses better. Fourth, we must make an all-out effort to serve the masses in a concrete way. Based on the findings of their investigation and study, localities and departments alike should make sincere efforts to complete several projects of tangible benefits to the masses. At present, we should continue our efforts to help the poor in rural and pastoral areas, to improve the water quality and prevent the spread of diseases, and to help the peasants purchase what they need and sell what they produce. At the same time, we should pay more attention to the hot, difficult issues affecting the well-being of the masses, such as excessive burdens borne by the enterprises and by the peasants and herdsmen, the employment of urban youths, the welfare of workers laid off due to the close of factories, and the question of social order. We must take a positive attitude toward these problems and make earnest efforts to resolve them. If they cannot be resolved at the moment, we should explain the reason to the masses and take steps to create the necessary conditions for resolving them step by step. Party committees and governments must put themselves in the shoes of the masses and promptly respond to their needs so that they will keenly feel the warmth and concern of the party. We must do so to give the people faith, to inspire them, and to pool their efforts together to promote the cause of construction and reform. Fifth, we must begin with the leading organs and cadres. Leading organs and cadres at all levels must learn from Comrade Jiao Yulu and set an example for others in strengthening



the ties between the party and the masses. Every leading cadre must begin with himself and work honestly and diligently to serve the people wholeheartedly. He must set strict demands on himself on the questions of children, housing, car, and rationing coupons. He must not use his power to seek personal gains. He must take the lead in fostering the spirit of plain living and hard struggle and of serving the people wholeheartedly. He must spare no efforts in performing his duty, dedicate himself selflessly to the cause of the party and the people, create an image of party cadres by his concrete deeds, and contribute to improving and developing the flesh-and-blood ties between the party and the people.

### **III. Conscientiously Learn From the Blood and Fire Lesson of Baren Township and Continuously Pay Attention to the Stability in Whole Xinjiang**

Although the armed riot of counterrevolution in Baren Township was quelled, the lesson it gave us is profound. It has taught us vividly a lesson of class struggle and enabled us to realize more clearly the major hidden cause affecting stability in Xinjiang. It has become even more evident that efforts should be paid to stability. We must conscientiously sum up the experience and lesson of Baren Township and implement the stabilizing work in the following ways in the future:

#### **(1) We Should Establish a Firm Guiding Ideology That National Splittism Is Most Dangerous to Xinjiang and Take a Clear-Cut Stand in Fighting Resolutely Against National Splittism at Home and Abroad**

During the primary stage of socialism, class struggle still exists in certain domains and is sometimes very violent. The class struggle finds its main expression in our present struggle against national splittism, which has never stopped. In recent years particularly, with the changes of macro- and micro-climates in China and foreign countries, the forces of national splittism and counterrevolution at home and abroad have echoed each other over a distance and collaborated with each other, waiting to launch wave after wave of attacks until the occurrence of armed riot of counterrevolution in Baren Township on 5 April this year. Under the cloak of religion, elements of national splittism and counterrevolution openly organized armed forces of counterrevolution and tested their strength against the party and the people's government. This has fully shown their counterrevolutionary nature of opposing the leadership of the CPC and socialism, and attempting to separate Xinjiang from the great family of the motherland. The struggle in Baren Township once again profoundly proves that the assertion, made at the 17th session of the Standing Committee of the regional party committee on 13 and 14 May, 1988, was completely correct. Our struggle against national splittism is a class struggle between those supporting the four cardinal principles and those opposing them, between those for safeguarding the unification of the motherland and national unity and those for disturbing the unification of the motherland and destroying national unity, between those for anti-peaceful evolution

and those for peaceful evolution, and between those insisting on social progress and those for turning back the tide of social development. This is a protracted struggle. It will turn out to be acute and violent sometimes. If we fail to see this point clearly, we are bound to make a big mistake. If the plot of national splittists succeeds, the glorious achievements we have made in Xinjiang in the past 40 years will be destroyed and the people of all nationalities will fall into the abyss of suffering again. We must try to understand the severity and danger of national splittism from this point of view and take a clear-cut stand in carrying out the struggle against it to the end.

In fighting national splittism, we must carry out an extensive and thoroughgoing education on anti-splittism for the cadres and the people of all nationalities in urban and rural areas to completely reveal the counterrevolutionary nature of national splittists. In order to achieve their goal of separating from a unified motherland, national splittists have always been under the cloak of nationality and religion and flaunted the banner of "safeguarding national interest" and "invigorating Islamism," which are highly inflammatory and deceitful. They are trying their best to advocate pan-Turkism and pan-Islamism, and call for "the establishment of the Islamic Republic of East Turkistan," "opposing pagans," "opposing the tapping of natural resources in Xinjiang," and "opposing family planning" with the real purpose of splitting a unified motherland and opposing the leadership of CPC and socialism. We must take countermeasures and completely strip off their masks and lay bare their evil plot with many facts in order to achieve the goal of uniting and educating the people and isolating and attacking the enemies.

Close attention should be paid to the struggle of anti-national splittism in the ideological domain. In recent years, the general situation in media, publication, literary, theory, and education circles of the region has been good. But some politically disoriented books and publications also have appeared, as well as articles and works spreading the ideology of national splittism, which have produced a very bad political influence and created ideological confusion. In the ideological domain, the struggle between Marxist nationalism and capitalist nationalism is very severe. In a sense, it is more severe than fighting with a real knife and gun. As Chairman Mao put it, the creation of public opinion and the ideological work are necessary before the overthrow of a regime. This is true both to revolutionary and counter-revolutionary classes. Splittist elements at home and abroad, while trying to achieve the goal of separating the motherland, must create separatist public opinion. We must actively launch an anti-splittist struggle in the ideological domain and criticize various mistaken ideologies with different methods, in accordance with different situations. As to the national splittist viewpoints that violate the Constitution, "the Self-Government Law of National Regions," and the four cardinal principles, we should resolutely criticize those viewpoints to prevent them from spreading. As to ideological, historical,

literary, and religious viewpoints that advocate capitalist nationalism, we should analyze them using facts, reasons, and a Marxist viewpoint and launch a criticism and education campaign to enable the people to distinguish right from wrong, promote their understanding, and unify their ideology. It is necessary to strengthen the leadership over the media, publication, theory, research, literary, and arts circles, and tighten the examination and approval of publications. We should never allow works with national splittist ideology to endanger society and the people.

In order to completely destroy the plots of infiltration and subversion in Xinjiang by national splittists at home and abroad, we should pay attention to the struggle of eliminating hidden dangers at home and to the struggle of opposing infiltration from abroad. We should establish a sound united system of anti-infiltration. We should concentrate our efforts to prevent personnel, weapons, propaganda materials, and narcotics infiltration.

The struggle between splittism and anti-splittism is a severe political struggle. It is a contradiction between ourselves and the enemy. We should never be soft-hearted toward a small number of national splittist and counterrevolutionary elements who have instigated turmoil and riots with conclusive evidence. We should resolutely reveal and punish them in accordance with the law.

We should resolutely believe in and rely on the cadres and the people of all nationalities in waging the struggle of anti-splittism. It reflects the wishes of and conforms to the interests of the people of all nationalities to fight against splittism and safeguard the unification of the motherland and national unity. The people of all nationalities love the party and the socialist motherland. They safeguard the unification of the motherland and value national unity. The perverse acts of national splittist elements have never won the heart of the people. The cadres and the people of all nationalities were, are, and will be the main force to oppose national splittism. It is a fundamental guarantee for our victory over splittism to believe in and rely on the cadres and the people of all nationalities to a high degree.

#### **(2) Implement the Party's Policy Toward Religions in an All-Around Manner; Resolutely Crack Down on Illegal Religious Activities**

Xinjiang is a multinational region. It is also a region of different religions. Of all religions in Xinjiang, Islam exerts the biggest influence and has the largest number of followers.

Since the Third Plenary Session of the 11th CPC Central Committee, we have implemented the party's policy on freedom of religious belief by strengthening political and ideological education, unity, and cooperation with patriotic personages in religious circles, arranging venues for religious activities, reviving and setting up patriotic religious organizations, actively launching friendly international religious exchanges, and carrying out the policy

concerning the property of religious organizations and personages, while stepping up supervision over religions according to laws and policies, protecting normal religious activities, cracking down on illegal religious activities, and resisting infiltration and sabotage from abroad. Fruitful results have been achieved in the work in all these fields. The vast number of religious believers and patriotic personages in religious circles support the party's leadership and the socialist system, actively safeguard national unity and the unification of the motherland, and take part in the building of socialist material and spiritual civilization. The overall situation of work on religions in Xinjiang is good.

However, there are some serious problems regarding religions in Xinjiang which merit our serious attention. They are manifested mainly in the following aspects:

Increasingly strong religious presence in rural areas has seriously restrained the thinking and behavior of the masses, corroded party organizations and ranks of cadres, and posed a formidable obstacle to winning the younger generation away from religion. In recent years, with the construction of more and better mosques, the number of people going to mosques and taking part in fasting has increased, thus stimulating an awareness of religion among the masses. In places, the party's policy on freedom of religious belief has not been implemented correctly or in an all-around manner. As a result, freedom to not believe in a religion is denied, and people who do not believe in religion or do not take part in religious activities are discriminated against and rejected. Many party members and cadres have been compelled to participate in religious activities out of fear that they may become isolated and their descendants discriminated against. A number of classes for studying scripture have been set up without approval, and more and more people are studying scriptures. Some feudal religious privileges and oppressive exploiting systems, abolished a long time ago, are being revived in some places. Religious interference in state administrative, judicial, and cultural affairs; education, marriage, and family planning have been reported from time to time. In some places, mosques and professional religious personnel have imposed religious taxes on believers. Some mosques and religious persons have even visited households to collect money and materials, and the households of party member-cadres are no exception. Some imams have exploited their followers "ta-li-fu [1044 6869 3940]" to perform manual labor and work in the fields. In some places, religions have openly interfered in the cultural and recreational activities of the masses, forbidding them to watch movies and television; religious interference in marriages are rather pervasive; interference in and opposition to family planning are widespread; and religion have also interfered in grass-roots elections.

Under the cloak of religion, a very small handful of national separatists have used religions to carry out separatist and counterrevolutionary activities. Echoing national separatist and other hostile forces abroad, they

try their utmost to fan religious fanaticism and hatred between different ethnic groups, attacking patriotic religious personages, opposing and rejecting the Han people and setting up counterrevolutionary organizations in a vain attempt to use force to topple the CPC's leadership and socialist system, subvert the people's regime, and establish the "Eastern Turkist Islamic Republic."

All these problems merit our serious attention.

There are many factors for the existing problems in education. By checking our work, we find, first of all, that we lack a sufficient understanding of the serious and complex nature of religious problems under the new situation and that party committees at all levels have not included these problems as an important item in their agenda and have not regarded it as a very important task. In particular, they have not done enough in studying Xinjiang's religious problems from an angle against infiltration, subversion, and peaceful evolution. Second, no forceful attempts have been made to check illegal religious activities. No serious attention has been paid to studying ways of effectively strengthening control over religion, of freeing more people—especially young people—from the fetters of religion, and of effectively struggling against reactionary religious forces. Third, insufficient efforts have been made to propagate Marxist-Leninist atheism among party members and cadres. This basically is not done at all among basic units in rural areas.

History and actual struggle experience tell us that in the socialist period we must attach a high degree of importance to religious questions and adopt resolute and forceful measures to do our religious work well.

Party committees at levels must make religious work an important item on their agenda. They must implement the party's policy on religion in an all-around way. Party committees and governments at all levels effectively should strengthen leadership over religious work. Party committees should assign someone from their leading bodies to take charge of religious work, and major religious questions promptly must be studied and dealt with. Under the unified leadership of party committees, various relevant departments should join efforts to do their religious work well by unifying their understanding, adopting unified policies, and coordinating actions. At the same time, they should improve organs in charge of religious work, increase the number of cadres in these organs, and enhance the political and professional qualities of cadres engaged in religious work to meet the needs of work.

The party's policy on freedom of religious belief should be understood correctly and implemented in an all-around way. While it is necessary to respect and protect, at all times, people's freedom to believe in religion or to take part in normal religious activities, it is also necessary to respect and protect the masses' freedom not to believe in religion or not to take part in religious activities. At present, in many localities, particularly in rural

areas, the masses do not have the freedom not to believe in religion or not to take part in religious activities. To cope with this situation, we should stress that people also have the freedom not to believe in religion or not to take part in religious activities. No one is allowed to discriminate against, exclude, and attack people who do not believe in religion or do not take part in religious activities. It is necessary to strengthen control over religious affairs in accordance with the law, policy, and statutes. No one is permitted to restore the system of religious feudal privileges, oppression, and exploitation that has been abolished. Religious activities must be conducted within the scope prescribed by the Constitution, laws, statutes, and policy. Religion will not be permitted under any circumstances to interfere with the dissemination of Marxism, Leninism, and Mao Zedong Thought and with state administration, judicial work, education, culture, marriage, and family planning. No individual is allowed to run religious school classes without authorization or permits. The use of places for religious activities to carry out propaganda against the four cardinal principles and to incite splittist activities is not permitted under any circumstances. Building new, or expanding, places for religious activities without approval from the religious affairs and construction departments of governments at and above the country level is not permitted, let alone collecting unauthorized fees or extorting donations from the masses. It is necessary correctly to handle the problems among various religious sects. All religious sects must support the four cardinal principles.

We should win over, unite with, and educate existing patriotic religious figures, attach importance to training patriotic religious professionals among the younger generation, and give full play to the role of patriotic religious organizations. We should be serious in evaluating religious personnel. Any one discovered to have serious problems must not be allowed to remain in his religious post. We should continue to show concern for religious professionals politically, care for their living conditions, and encourage them to actively help the party and government implement the party's policy on religion and unite the masses of religious believers and patriotic religious figures to serve stability and development.

We should conduct education on upholding the four cardinal principles among the masses. The purpose is to make them understand in an all-around way the party's policy on freedom of religious belief and to enable them to distinguish between normal religious activities and illegal religious activities. We should conduct education on dialectical and historical materialism and the scientific world outlook among the masses; we should strengthen the dissemination of such scientific and cultural knowledge as natural phenomena, social evolution, and man's birth, old age, illness, death, good luck, bad luck, misfortune, and fortune. Atheism should be taken up in schools. The teaching of atheism among youngsters should begin in elementary schools. School teachers should teach as well as cultivate students, spreading scientific knowledge as well as atheism among them.



We should correctly handle the problem of Communists who believe in religion. The party's policy on freedom of religion is meant for China's citizens; it does not apply to Communists. Communists differ from citizens in general in that they are members of a Marxist political party. Therefore, they should be atheists, not theists. They should believe in Marxism, Leninism, Mao Zedong Thought; they must not believe in religion and take part in religious activities. Party members who refuse to change after a long period of time shall be advised to withdraw from the party. This provision must be resolutely implemented. Nevertheless, we should still stress meticulous ideological education among party members who still believe in religion and warmly help them foster dialectical and historical materialism and scientific world outlook and gradually free themselves from the fetters of religion. After the majority of party members have indicated that they will no longer believe in religion after their understanding has been raised through universal education on atheism, if a handful of party members, after repeated education, still stubbornly persist in believing in religion, they shall be advised to withdraw from the party. Other party members who fail to meet the requirements for party members, who have serious problems, and who have had a bad influence on the masses shall be expelled from the party. Party organizations should, from the political angle as well as from living conditions, show concern for and cherish veteran party members, particularly retired party members, in pastoral and farming areas. Party organizations should help the families of deceased party members with matters concerning funerals and burials.

We must resolutely resist the attempts of foreign hostile forces to use religion to engage in infiltration and sabotage. We must resolutely deal blows at splittists and reactionaries inside and outside China who use religion to engage in sabotage. We must strive to take preventive measures by smashing their sabotage schemes in the bud.

### **(3) Strengthen National Unity; Safeguard Unity of the Motherland**

Xinjiang is a border region with many nationalities. The key to maintaining political and social stability in Xinjiang lies in the constant strengthening of unity among the various nationalities. It is also the premise and guarantee for carrying out socialist modernization smoothly.

Under the direction of the correct line and ethnic policies of the party Central Committee, great achievements in national unity have been made in Xinjiang in the past 40 years. In particular, after the Third Plenary Session of the 11th CPC Central Committee, Xinjiang has thoroughly corrected the errors of the "Cultural Revolution," seriously implemented the party's ethnic policies, accorded importance to the training of minority ethnic cadres, used minority ethnic languages, promoted education and sports among the ethnic minorities, produced and supplied products for their special use, and

respected their traditions and customs. Marked successes were achieved in these fields. In addition, Xinjiang has also emphasized national unity education. This has raised the awareness of party members, cadres, and people of all races to defend national unity, and many advanced groups and models of national unity have emerged. Cadres and people of all races support the leadership of the CPC and love the socialist motherland. They trust and support each other, uphold unity, work together, and have made important contributions to the building of a material and cultivated socialist society. The new form of socialist ethnic relations, in which all races are equal, united, and helpful to each other, continues to be supplemented and developed. In general, the situation of national unity in Xinjiang is becoming better.

We must also note that in order to achieve their objective of splitting the motherland, splittist forces at home and abroad must first destroy national unity and instigate racial hatred. Therefore we must continue to do a good job in national unity on the basis of our past achievements.

We must strengthen Marxist nationalist views, as well as publicity and education on ethnic policies among party members, cadres, and the people. We must educate them about the four cardinal principles and about opposing bourgeois liberalism and national secessionism. We must also educate them on patriotism, socialism, the unity of all races, protecting the unity of the motherland, and defending and building the frontier. We must instill a firm Marxist national view in everyone and heighten their political consciousness through education so that they will, of their own accord, look at ethnic issues and deal with them through Marxist standpoints, views, and methods. Every Communist and cadre, regardless of race, should take the stand of the proletariat and the working people. They should place the defense of national interests and common interests of all races in the forefront by taking into consideration the basic interests of every nationality and the common objective of building a powerful socialist motherland.

We must make serious efforts to implement the party's ethnic policies and the ethnic regional autonomy law. We must pay attention to the training of minority ethnic cadres and improve its quality. This is of almost importance to the furtherance of national unity. In his "Instructions on Work Pertaining to Ethnic Minorities in the Northwest" in December 1949, Comrade Mao Zedong stated: "Without a large contingent of minority ethnic communist cadres, it will not be possible to thoroughly resolve the ethnic issues and completely isolate ethnic reactionary factions." We must attach importance to the use of minority ethnic languages and respect their traditions and customs. Party committees and governments at all levels and all departments must make serious efforts to check the implementation of ethnic policies. Efforts should be stepped up in those



areas which lag behind. They must resolutely correct all violations so that the party's ethnic policies will be truly implemented.

They must skillfully and properly handle problems between the different races, regions, and units that may affect ethnic relations and national unity. When faced with such problems they should act realistically and approach them from the viewpoint of unity. They should treat problems as they are and should not regard them as ethnic issues when they are not. They should exercise restraint, act soberly, and go through normal channels when dealing with problems. Leading cadres of each nationality should devote more attention to their own cadres and people.

We must strengthen unity and cooperation between party members and cadres of all races. Unity among party members of all races is the nucleus of national unity. Unity among cadres of all races is the key force behind national unity. Cadres working in ethnic autonomous areas, regardless of whether they are locals or outsiders, ethnic minorities or the Han race, are there to serve people of all nationalities and to jointly shoulder the important mission of promoting national unity. Party members and cadres of all races must trust, respect, learn from, support, and understand each other. They must unite, cooperate, and work together to develop and build a new Xinjiang and the socialist motherland.

It is worth noting that due to the influence of the political climate at home and abroad, bourgeois nationalist ideas have taken root and spread among some cadres and intellectuals during the last few years. People harboring such thoughts often tend to set ethnic interests against overall national interests or even place the interests of one race above that of the whole nation. Some of them discriminate against the Han race and spread views harmful to national unity either consciously or unconsciously. Others have contravened the reform and opening up policy in ethnic regions as well as the development of resources in Xinjiang. These thoughts are very dangerous and must be overcome. Bourgeois nationalist ideas are conflicts within the people, while national splittism is a conflict between ourselves and the enemies. Although the nature of the two is different, they are related, and there is no unbridgeable gap between them. If we do not watch out for and overcome bourgeois nationalist ideas, there is a danger that we may slide into the mud pit of national splittism. Bourgeois nationalism ideas are basically a matter of thinking and understanding. Therefore we should solve this problem by adopting methods of persuasion and education to help these people acquire a better understanding. We should take a political attitude of love and concern to enhance their understanding and to overcome their erroneous ideas.

We must continue to launch activities to name model units and advanced individuals of national unity. Such activities should be realistic and down to earth. Units

which have been named models of national unity must continue to work hard and strive to do better. Higher authorities must inspect them regularly and help solve problems whenever they appear. Those that no longer live up to their name as model units must be stripped of their titles so that advanced units of national unity are truly worthy of their name.

#### **(4) We Must Strengthen the Building of Grass-Roots Organizations and Step Up Efforts at the Ground Level**

Rural grass-roots party organizations are the leadership cores and fighting bastions for leading peasants of all races to build the new socialist countryside. Power organs in the grass-roots are the administrative organizations for managing the politics, economy, education, and social life of the countryside. Grass-roots mass organizations act as bridges and links between the party, the government, and people of various races. The performance of rural grass-roots organizations has a direct bearing on the implementation of guidelines, policies, laws, and decrees of the party and the state; on the ability of the people's government to consolidate its position; and on the maintenance and forging of close ties between the party and the peasants of various races. Rural grass-roots organizations are the foundation for Xinjiang to fulfill its undertakings and to maintain general stability and permanent peace in the autonomous region.

Most of party organs and governments at the grass-roots level in the rural areas of our region are good or relatively good. However, some grass-roots organs are indeed in the state of paralysis or semiparalysis because they failed to play the leading role of the party organ and government. What happened in Baren Township is a typical case in point. The counterrevolutionary armed riots in Baren Township have exposed the problems and weak links existing in the construction of grass-roots organs and rural work of our region. These problems and weak links can be found in the facts that grass-roots party organs have not yet established their status as a leading nucleus, that grass-roots governments have not yet exercised their functions comprehensively, and that grass-roots mass organs are all but an empty shell. In some cases, the leadership of the grass-roots organs was even controlled by bad people. Things like religious interference in political, economic, cultural, and social life are becoming even more serious. In rural areas, socialism is gradually losing its leading status in ideological domain. How could counterrevolutionary armed riots occur in Baren Township 40 years after liberation? It can only be explained by the facts that the party has lost its leadership, that political power has been controlled by bad people, that ideological and cultural fronts of socialism have been lost, and that religious belief has run wild. The cause for this situation lies mostly in the fact that the party's leadership over rural areas has been weakened over the past few years under the erroneous influence of a former individual leading cadre in the CPC Central Committee. As a result, ideological and political work has weakened; there have been glaring examples in which rural work is sometimes dealt with firmly and

other times dealt with softly. In the past few years, we have been correct in concentrating on stability in cities and schools. We have overlooked grass-roots work in rural areas, especially stability work in rural areas. We have relaxed the class struggle with opposing national splittism as its main content. We have relaxed the building of grass-roots organs in rural areas. Our concern, help, and support for grass-roots cadres in rural areas have not been enough. We have failed to bolster them. When party and government leaders at all levels go to the countryside, they pay more attention to production, less to party construction, and still less to the construction of ideological and cultural fronts and careful mass work in rural areas. The tendency to pay attention to production and overlook ideological and political work has led to poor or no management of political, cultural, and social life in rural areas. Although the party committee and people's government of the autonomous region did mention many times the need to improve grass-roots construction in rural areas, they failed to really implement them. This is a lesson for us.

Experiences learned in various areas has proved that stability work in rural areas should be carried out from the grass roots up. Party organs at all levels should increase their understanding of the importance and urgency of the construction of grass-roots organs in rural areas. They should conscientiously take forceful measures in light of local realities to solve problems existing in the construction of grass-roots organs.

It is necessary to conscientiously improve the construction of grass-roots organs in rural areas and strengthen party leadership. Ours is a governing party. Party leadership must be implemented through the government. If the party gives up its ruling status, there will be no leadership of which to speak. Therefore, we must strengthen the sense of governing and increase the ability of governing. According to our party chapter, "the leadership of the party is mainly a leadership over political, ideological, and organizational affairs. We should be good at combining these three functions into one and fully playing the leading role in various reforms and constructions by insisting on socialist orientation in political, economic, and cultural fields. We should strengthen the construction of the leading group and carefully select secretaries for township and village party committees. We should improve ideological and political work in rural areas and insist on the education of the party's basic line, four cardinal principles, basic theory of Marxism, and basic knowledge of the party to improve the ideological and political quality of party members. We must establish sound systems such as "three meetings and one lesson," "responsible system for the goal of party-building work," "appraising party members in a democratic way," and "assigning party members to contact households." We should consolidate groups that are soft and slack. As for those with serious leadership problems, we should resolutely remove them without hesitation.

Communist Party members should take the lead in implementing the line, principles, and policies of the party and fully play the roles as leading nuclei, combat bastions, and vanguard models.

Great efforts must be made to strengthen the construction of grass-roots governments to bring the powers and functions of township governments into full play. The administrative powers of people's governments of townships and national townships have been clearly stipulated by local people's governments at all levels and the organic law of people's governments, which read: Make and carry out plans and budgets for economic and social developments in their jurisdiction districts; and administer economic, educational, scientific, cultural, public health, physical education, financial, civil, public security, judicial, and family planning affairs in their jurisdiction districts. Grass-roots governments should correctly implement the organic law of locality and comprehensively carry out the powers and functions with which they are endowed. We should strengthen leadership over elections, educate people of all nationalities to correctly use their democratic rights, and elect the correct persons as heads of townships. The autonomous region, prefectures, cities, and counties should select and transfer some excellent young cadres to work in the grass roots to improve work there. At the same time, we should establish a sound rotation system for cadres.

It is imperative to set up sound grass-roots mass organs and self-governing organs and to give full play to grass-roots communist youth leagues and women's federations in order to unify and educate youth and women in rural areas. Grass-roots party and government organs must try their best to support them in their jobs and reflect in a timely fashion the opinions and demands of the people represented by local communist youth leagues and women's federations. Meanwhile, we should pay attention to militia work.

It is necessary to pay attention to ideological and cultural construction in rural areas and firmly occupy socialist fronts in rural areas with socialist ideology. We should set up a sound service system for ideological and cultural constructions in all townships and villages in rural areas. We should take various measures, including giving public support to and properly increasing the budgets for civilian-run cultural enterprises, to strengthen ideological and political facilities in rural areas, promote propaganda and cultural enterprises such as radio, television, movies, and gradually achieve the goal that each village has a library, TV room, and cultural room and that each household has a broadcasting microphone. In order to enrich the spiritual life of the peasants, we should actively launch various cultural and sports activities which are healthy and beneficial to them. We must continue to pay attention to the anti-illiteracy work and actively launch activities for spreading scientific knowledge in a bid to promote the scientific and cultural quality of the peasants.

In order to conscientiously resolve the problems presently existing in grass-roots organs in rural areas, the autonomous party committee has decided to conduct a comprehensive consolidation for these organs. Concrete plans were submitted by relevant departments. They will be implemented after discussion. This work will be started from the end of this year and is expected to be accomplished in two to three years.

#### **(5) Cadres Are the Major Factor in Doing a Good Job in Stability Work**

Our experience with stability work in the first half year of 1990 proves that the success or failure of stability work or any other kinds of work depends upon cadres. In the struggle for safeguarding the unification of the motherland, promoting national unity, and opposing national splittism, cadres of all nationalities, especially leading cadres of all nationalities, must have a firm position, take a clear-cut stand, and stand in the frontlines of the battle. When we say that leading cadres should show a good example for the people, we mean they should show it on major issues of principle, such as serious political struggle, safeguarding the unification of the motherland, and opposing national splittism. Leading cadres of all nationalities should not be vague or hesitant in this struggle. We should step forward bravely and resolutely reveal and fight those national splittist elements. There should be no ambiguity or appeasement in attacking their words and deeds. It is the most important duty for leading cadres at all levels to pay attention to stability and oppose national splittism. We must be brave in upholding our responsibilities and dare to perform our duty. The ability to achieve this goal will be the most important factor indicating the party spirit and political responsibility of our leading cadres at all levels.

Cadres, especially leading cadres at all levels, are the cream of the crop in that they are carefully examined and chosen by party organs or elected by the people. In addition, they are in charge of a district, department, or unit and wield certain powers. Their words and deeds exert great influence on the people. If our cadres can stand firm in the frontlines of our struggle to achieve the goal of stability and antisplittism, they will certainly create a desirable influence among the people. If, on the contrary, our cadres do not take a clear-cut stand or even sympathize and support national splittist words and deeds, they will no doubt produce extremely bad influences among the people. There are more than half a million cadres of all nationalities in our region; if all of our cadres can use their words and deeds as examples to exert influence on the society and the people, then we can assure the stability and long-lasting peace in all of Xinjiang.

Cadres are a deciding factor once the political line is determined. Under the current situation of our struggle, we must pay particular attention to the construction of the cadre contingent. In checking, cultivating, and selecting cadres, we should strictly follow the standards for cadres' "four modernizations." Cadres, especially

leading cadres, should try to master their work. However, they should have, in the first place, a strong political consciousness. Among the standards for cadres' "four modernizations," the first is political standards. Our cadres, particularly leading cadres, should have a very strong political consciousness, which should be strictly in line with the central policy. They should have a firm position and clear-cut stand in the struggle for safeguarding the unity of the motherland, promoting national unity, and opposing national splittism. In addition, they should be honest, upright, and diligent in performing their duty for the benefit of the people. We must cultivate and select cadres by these standards and dare to promote excellent cadres to leading positions at all levels. As to those cadres who pale by comparison or are incompetent, we should resolutely readjust their jobs. Party committees and key leading comrades at all levels should pay attention to cadre work. They should personally handle cadre work to ensure that our leadership is firmly in the hands of strong believers in Marxism.

Our cadres, especially leading cadres, must shoulder the responsibility entrusted to them by the party and the people. They should strive to promote their quality, working ability, and leadership. At present, it is a very important task for them to strengthen their study of theory. It is imperative for them to study the basic theory of Marxism-Leninism and Mao Zedong Thought, as well as Comrade Deng Xiaoping's theory on socialism with Chinese characteristics. They should learn to observe and handle problems with the position, viewpoint, and methods of Marxism-Leninism and Mao Zedong Thought. The important thing for this kind of study is persistence and self-study. Party schools at all levels, as an important front for cultivating leading cadres of the party, organizing and training the contingent of Marxist theory, as well as studying, researching, persisting, and developing Marxism-Leninism and Mao Zedong Thought and as a furnace for tempering the party spirit, must fully play their role in improving cadres' study of theory and tempering and training the party spirit.

#### **IV. Further Implement the Principle of Improving the Economic Environment, Rectifying the Economic Order, and Deepening the Reform; Try in Every Possible Way To Do a Good Job in the Economic Work of the Next Half Year**

Although we have a very arduous task in our economic work in the next half year, we should further implement the principle of improving the economic environment, rectifying the economic order, and deepening the reform, trying in every possible way to take some key measures in order to have a 13th bumper harvest year of agriculture and animal husbandry, to assure a steady growth of industrial development and financial income, and to strive to comprehensively accomplish this year's national economic plan. Our primary task for economic work in the next half year will be promoting the production of agriculture and animal husbandry and achieving the goal of having the 13th year of consecutive bumper



harvest. Although the prospect for agriculture and animal husbandry is favorable at present, there still exist various unfavorable factors. All localities and departments must have a firm ideology of fighting against natural disasters and strive to reap a bumper harvest. They should carry out the preparatory work of fighting droughts, floods, hail, plant diseases, and insects and truly achieve the goal of nipping all natural disasters in the bud. Leaders at all levels must not lower their guard and must avoid leaving things to chance. They must be prepared for great flooding. They must make use of the flood prevention experience learned in 1987 and pay particular attention to the prevention work for sudden floods and landslides during storms and rains. All localities must proceed from reality and take necessary measures to achieve success in preventing floods and droughts. They must do a good job in reaping this summer's harvest and ensure a good harvest both in quantity and quality. While preparing this year's winter sowing in a timely fashion, we should not neglect animal husbandry. The plan for preventing natural disasters and protecting cattle this winter and next spring should be started now. While keeping our attention on animal husbandry in the grasslands, we should also strive to develop animal husbandry in rural areas. Efforts should be continued to readjust the structure of breeding stock and herds of livestock and to improve breeds for winning a bumper animal husbandry harvest this year. We must ensure a job well done in procuring grain, cotton, oil-bearing crops, and livestock, doing everything possible to help peasants and herdsmen sell and buy such farm and animal husbandry products. It is necessary to continue to implement the party's economic policies in rural areas, and further stabilize and perfect the rural household contract responsibility system, with remuneration linked to output. At the same time, we should gradually set up and improve the double track managerial system that combines unified with separate management. We should also set up and improve the social service system in rural areas, based on the "construction in the five merits" and with "unity in the five aspects" as the main points. In this way, we can bring into play the superiority of collective economy and harness the enthusiasm of rural households in setting up agricultural and animal husbandry management, thereby creating the milieu for a coordinated and stable growth of Xinjiang's agriculture and animal husbandry.

We are confronted with rather difficult tasks in industrial production in the second half of this year. Due to unsatisfactory performance in the first half of this year, we must not only fulfill the monthly production plan but also strive to make up the shortfall in output in the remaining months. All local governments and departments should carry out solidly the 14 measures outlined by the regional authorities as soon as possible. It is necessary to pay particular attention to the crucial measures on increasing the output of 33 kinds of products in great demand, increasing the processing of crude oil, and completing and putting into operation a number of capital construction and technological transformation

projects ahead of schedule. In line with the state's industrial policy and market demands, we should further readjust production structure and product mix, concentrating efforts on developing a number of new products, and expanding the production and upgrading the quality of a batch of products and scaling down the production of another batch. It is necessary to further strengthen the organizational dispatch in production and continue the on-site management system to promptly solve problems existing in production. As the main circulation channels, the commerce, supply and marketing, and materials departments should bring into play their role as the "reservoir" in marketing and delivering manufactured goods to rural areas to avoid overstocking of goods and create the conditions for normal operations of industrial enterprises. We should continue to deepen the reform of enterprises, focussing on raising their economic efficiency. We should also continue to perfect and develop the contracted managerial responsibility system of enterprises and overcome the tendency of relaxing supervision of enterprises which have been contracted out or have undergone reforms. We should encourage the merger of enterprises. In view of the current sluggish market, we should refrain from shutting down or suspending the operations of enterprises, encouraging them instead to merge. Enterprises should not be allowed to arbitrarily declare bankruptcy. We should wholeheartedly rely on the working class and adhere to the mass line in encouraging workers to make rationalization suggestions for conserving energy, lowering consumption, tapping potentials, carrying out technological transformation, manufacturing quality goods, and increasing sales. It is necessary to strengthen the ideological and political leadership of party organizations and bring into play the role of workers in democratic management, thereby coordinating the efforts of the party, government, and enterprises in tiding over difficulties together.

The financial revenue of this year has a direct bearing on Xinjiang's economic construction and the development of its work in various fields next year. Party committees and governments at all levels must have a firm grasp of financial work. Financial departments should actively help enterprises strengthen internal management, readjust product mix, and go all out to stop deficits and increase profits. It is necessary to conduct a thorough inventory of revenues in arrears and step up the collection and management of tax payments. In order to ensure smooth fulfillment of this year's financial revenue plan, we must try our utmost in exporting salt, seeing to it that the task of exporting 1.5 million tonnes of salt is fulfilled. We should strictly control and cut back expenditures. In appropriating expenditures, it is necessary to give top priority to guaranteeing that the people have enough to eat, and that reforms and key construction projects can be continued. Under no circumstances should we arbitrarily approve nonproductive expenditures and construction in disregard of our financial capabilities. In particular, we should strictly control the growth of administrative expenses of institutions.



Banking institutions should readjust the structure of loans to ensure that there are sufficient funds for procuring farm and animal husbandry products. They should also effectively manage loans for capital construction and technological transformation, and issue loans for the working funds of industrial and commercial enterprises at the appropriate time to support their production. Efforts should be continued to conduct an inventory of loans. Foreign trade departments should improve export work, striving to increase export and foreign exchange earnings and raise the portion of export contracts which are fulfilled. In the second half of this year, we should increase the exportation of fresh melons and fruits, while paying attention to exporting cotton and other major products. Especially we should explore the markets of fresh melons and fruits in Japan and Pakistan. In addition to the price readjustment measures adopted in the beginning of this year, the state will introduce new measures for hiking prices in the second half of this year. We should take the opportunity of relatively small price rises this year to further control prices. In strictly controlling prices, we should concentrate efforts on the crucial areas and adopt prudent measures to further stabilize prices and maintain Xinjiang's retail price rise index under one digit this year. It is necessary to thoroughly screen and consolidate companies, continue to straighten out economic order in the circulation field, bring into play the role of state-run commerce as the main circulation channel, and ensure that the market has enough supply to meet the people's needs in everyday life.

Whether the Production and Construction Corps can comprehensively carry out the tasks of this year has a vital bearing on Xinjiang's fulfillment of this year's tasks. All members of the corps, from top to bottom, should unite as one in striving to carry out economic and other tasks for the second half of this year, thereby contributing to the completion of this year's plan in all fronts in Xinjiang.

The autonomous region is facing a grim economic situation. It is difficult to fulfill this year's economic development plan. We should recognize the obstacles on the road of advance as well as the favorable conditions for overcoming the difficulties. Still more, we should recognize the broad prospects for developing the regional economy. In the four decades since liberation, Xinjiang has scored tremendous achievements in its economic construction. The reform and opening in the past decade, in particular, has instilled new vitality in the autonomous region and considerably built up its economic strength. Since the implementation of the Seventh Five-Year Plan, Xinjiang has accelerated the pace of its economic construction. Regional investment in fixed assets in the first four years of the Seventh Five-Year Plan has amounted to 24.3 billion yuan, which is 1.63 times of the 14.9 billion yuan investment in fixed assets in the entire Sixth Five-Year Plan period, or 8 billion

yuan more than the 16.3 billion yuan investment in capital construction in the first three decades. The investment in fixed assets has laid a solid foundation for further development. Compared with other provinces and regions in China, Xinjiang has many unique advantages and broader prospects for planning economic development. The region is rich in petroleum, coal, nonferrous metals, gold, and other underground as well as water and soil resources, which are of great importance to the national development. To vigorously develop agriculture, animal husbandry, and energy resources is one of the focal points of the state industrial policy. The large-scale development of petroleum, in particular, has already been placed on the national agenda, and it will surely spur the comprehensive development of the regional economy. Moreover, Xinjiang, located in the western frontier, is a window for opening China to the outside world. All of these will provide the favorable conditions and opportunities for the economic construction and development of the region.

I would like to especially mention Comrade Tomur Dawamat's recent trip to Beijing to report, on behalf of the autonomous regional party committee and the regional people's government, to premier Li Peng about Xinjiang's economic work. The central and State Council departments and commissions have solved a total of 29 problems for Xinjiang, thus showing the support and concern of the party Central Committee and the State Council for the people of all nationalities in Xinjiang. We firmly believe that Xinjiang's socialist construction has embarked on a new course, and that we are engaging in a promising undertaking. So long as we rally closely around the party Central Committee, with Comrade Jiang Zemin as the nucleus, in strengthening unity of all nationalities and sectors and relying on the people of all nationalities, the future of Xinjiang is very bright.

Comrades, in the second half of this year, we must pay close attention to a number of important tasks. In order to intensify party building, the party Central Committee has, since the fourth plenary session of its 13th Central Committee, successively convened a series of important meetings, including a meeting of propaganda department directors, a meeting of organization department directors, a work meeting on party building in schools of higher learning, a national meeting of provincial, autonomous regional, and municipal party school presidents, and a meeting on political and ideological work in enterprises. In the remaining months of this year, we should earnestly implement the guidelines of these meetings and concentrate attention on party building. Recently the party Central Committee held a public security, judicial, and procuratorial work conference to map out arrangements for cracking down on serious crime. We should conscientiously implement the conference guidelines and ensure a good job in cracking down on serious crime according to the unified arrangements of the central and regional authorities. Recently the party

Central Committee also convened a meeting of directors of the united front work departments and a meeting of chairmen of the nationalities affairs commissions. A conference on the work related to religions will also be held. We should improve the united front work, work on nationalities affairs, and work related to religions, in accordance with the guidelines of the conferences. In the next half of this year, we will hold a regional conference to commend model workers. It will be the largest commendation meeting for model workers since the Third Plenary Session of the 11th CPC Central Committee. Ample preparations for the meeting must be made to

ensure its success. Party committees and local governments at all levels should care and support veteran party members, supporting them to carry out the work of "showing concern for the next generation" and helping them solve problems in the work so that they can make the best use of their experience. In view of the heavy and arduous tasks in the remaining months of this year, party organizations and leaders at all levels should work out overall arrangements and meticulously organize, unite, and lead the cadres and people of all nationalities in doing still a better job in the work of all fields and striving to fulfill the various tasks of this year.

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